Unmasking Dispossession: Philanthrocapitalism, the Global Justice Debate, and Statist Cosmopolitan Agency

Michael McCarthy
Graduate Student in Political Science
Before the early 20th century in the West, philanthropy was a religious obligation with little focus on the outcomes generated by philanthropy.

In the early 20th century, capitalists like Andrew Carnegie and J.D. Rockefeller began “scientific philanthropy” which “called for the wealthy to channel their fortunes to the societal good by supporting systematic social investments” (Birn 2014).

Philanthrocapitalists take scientific philanthropy a step further. Rather than attempting to “correct” for perceived market failures, they attempt to “connect” to markets and instill entrepreneurship in underserved communities.

Philanthrocapitalists consider the state an impediment to their cosmopolitan ethics of giving despite benefitting from state contracts and significantly influencing the state decisions in directing aid funding (McGoey 2012).
The statist cosmopolitan model

• In political theory, the debate over how to conceive of global justice is stalled on the question: how can a state be both global (i.e. have cosmopolitan ethics) and just (i.e. have statist obligations to their own citizens)?
  • Lea Ypi suggests that statists and cosmopolitans both make errors in their analysis, with cosmopolitans too focused on ideal questions of normative principles and statists too focused on the limitations of agency.
    • Ideal principles are used to construct structures. Agents act in nonideal circumstances (i.e. within or against structures) to implement and realize new ideals.
    • The dialectical method of trial, failure, and success defines how political agents ought to approach the global justice debate: if a structure fails, we ought to look for the cause of its failure in its philosophical foundations and contest this with new, better ideals that incorporate the limitations of structures.
  • What does this model mean for philanthrocapitalists who view themselves as ethical cosmopolitans first and foremost?
What are the ethics of philanthrocapitalism?

- Cosmopolitan belief in alleviating poverty in absolute terms by introducing and fortifying capitalist relations around the world.
- A belief that capitalism, and indeed philanthrocapitalism, may increase inequality, but that it will ultimately benefit everyone in absolute terms.
  - A few problems with this:
    - 1. Through regulatory capture, philanthrocapitalists increase income inequality more than they increase economic growth.
    - 2. Inequality can kill when access to global positional goods has absolute consequences.
      - “one of the reasons why people in poor countries cannot afford bread is that people in richer countries are consuming more meat” (Ypi 2012, 117).
How can statist cosmopolitan political agents contest philanthrocapitalism?

• Remove the apolitical “mask” from philanthrocapitalism by using democratic means to challenge the philanthrocapitalists’ use of the state.

• Move away from a model of concrete political issues that simply need some technocratic solution. Furthermore, move away from the perspective that market forces are always necessarily the best method for development.

• Challenge the philosophical foundations of philanthrocapitalism by fighting for equal distribution where access to positional goods can lead to absolute deprivation. Fight for a more equitable distribution of global positional goods.
References


• Birn, A. E. (2014). Philanthrocapitalism, past and present: The Rockefeller Foundation, the Gates Foundation, and the setting(s) of the international/global health agenda. *Hypothesis, 12*(1), (pp. 1-27).


