Philanthro-capitalism, social enterprises and global development

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Abstract

While philanthropic giving has a long history amongst the wealthy, Western foundations and ultra-wealthy individuals now channel copious amounts of money into social enterprises and global development in specific ways. We identify a phenomenon termed philanthro-capitalism in which powerful actors harness the logic of capital circulation and transform philanthropic 'giving' into a profit-oriented investment process. In this vein, philanthro-capitalism develops into a proliferating financial market, creating new streams of capital and 'value', and incorporating more people and territories into global financial networks. This process is backed by specific industry and institutional organisations, which produce peculiar financial geographies at various scales.

Introduction

> *New philanthropists treat giving just as they regard their business and investments, applying their entrepreneurial disposition enthusiastically and giving attention to matters like ''rigorous due diligence'', ''scalability'', ''return on capital'', ''leveraging the investment'', ''accountability to stakeholders'', ''agreed targets'', ''excellence in delivery'', ''accurately measure outcomes'.'* (Hay & Mueller, 2013: 638)

Those who partake in philanthropic activities today increasingly harness the logic of capital to transform traditional ways of grant-making into a profit-oriented investment process. The gradual shift of elite philanthropy into an immediate tool for profit-making has crucial consequences in practice: what was formerly a purely donation-based transfer of funds between a benefactor and a recipient now becomes an investment targeted at a problem. Resulting funds leverage upon what is called social entrepreneurship, and mostly flow into for-profit ventures that supply underserved markets in remote areas. Along these lines, elite philanthropy likewise creates a powerful development narrative of 'serving the underserved'. It induces private foundations to collaborate with development banks, agencies and regulatory authorities, especially in the Global South. The global scale of their activities requires a reliable market infrastructure and globally networked financial industry to facilitate corresponding investments in 'sustainable' economic activity and 'development' projects in sectors like financial inclusion and microfinance, rural energy, water and sanitation, education, health care and social housing. These proceedings coincide with the emergence of an institutional nexus, which we call the *philanthropy-finance-development complex*: it includes private foundations, foreign aid, states, rating agencies, think tanks, business intelligence and, most importantly, financial institutions (Gabor & Brooks, 2017; Mawdsley, 2015).

In this vein, it seems unsurprising that the charitable sector today is one of the fastest-growing industries in the global economy. Spurred by the intensifying globalisation of capital, philanthropy has gradually become ever more subjugated to "financial motives, financial markets, financial actors and financial institutions" (Epstein, 2005, p. 3). In line with Fine's (2010) definition of financialization, we argue that "[philanthropic] activity in general has become subject to the logics and imperatives of interest-bearing capital" (p. 99). In critical terms, financialization is turning capitalist philanthropy into *philanthro-capitalism*. This transformation is defined as a spatial process of capital accumulation subjected to the imperatives of interest-bearing capital, in accordance with specific ideologies of development. The rest of this chapter elucidates the logics, institutional arrangements and rationales behind this transformation process, the key actors and institutions involved, and the corresponding geographical landscape produced.

Spatial Dynamics of Philanthropy: From Local to Global

Philanthropy as a concept and philosophy has sparked a myriad of meanings and practices in many different geographical contexts and at different points of time. These spatially confined approaches are likewise grounded in contextually different trajectories of class building. While some trace the concept of capitalist philanthropy from 17th century Europe, where wealthy aristocrats set up mutual aid societies, which then gradually moved away from aristocratic *noblesse oblige* to contemporary forms of 'giving' practised by the nouveaux rich – like Bill Gates, Pierre Omydiar or Mark Zuckerberg (Hay & Mueller, 2013), philanthropic giving is also deeply rooted in non-Western mercantile systems and religious beliefs. For hundreds of years, Arabic-speaking elites, for example, pursued their own version of charity and alms-giving within their local communities. Those practices are called *sadaqa* and work along archaic traditions and deep-seated beliefs. Analogous to the concept of Western charitable foundations and aid societies, Arabs created institutions like the *awqaf*, alongside specific vehicles for 'doing good' called zakat or *zakah* (Carnie, 2017; al-Qaradawi, 1999). These practices continued to influence contemporary Islamic banking and financial products.[1] Similarly, Asian societies had designed their own rationales for philanthropic practices. In India, private gifts for social welfare (endowments) had been an essential part of pre-colonial communities for centuries. The charities of wealthy Hindu families were often densely entangled with their commercial activities, usually donating to temples or other institutions that were culturally related with social welfare and geographically connected to the marketplace. These endowments thus traditionally constituted an integral part of the material and symbolic portfolio of the Indian family firm and their reputation (Birla, 2009). Likewise, in China bridges, ferries, temples, hospitals and especially schools (due to Confucian emphasis on education, and service to family and community) were frequently built on charitable land or with the help of cash endowments set up by local elites (including nobility and business magnates). Village social welfare, such as clinics, refugee shelters or soup kitchens, was regularly paid for and administered by prominent resident households (Fuller, 2010).

Given these geographical variations of charity and alms-giving, and their distinct historical trajectories, it would be too simplistic to assume a globally homogenised investment space of philanthro-capital. Indeed, established regional practices of philanthropy continue to exist, including their cultural variations, which are distinctive along religious and spiritual lines. Hence, philanthro-capital flows only into those ventures that promise the production of surplus-value. In more general terms, however, the field of philanthropy cannot be grasped in isolation to broader trends and principles that constantly re-configure the capitalist space-economy. With the intense expansion of capital and wage labour relations across the globe, philanthropy has likewise become increasingly global in scale – at least for the specific segment of the super-rich. More traditional forms of philanthropy now

[1] Although the intersections of Islamic banking and finance with Western neoliberal market structures are creating more complex product characteristics and market features (see Pollard & Samers, 2007; Lai & Samers, 2017).

intersect with another global layer. In this context, Rothkopf (2008) proclaims the global regime of a superclass that share common values and practices while using their global linkages and monetary power to assert leverage on socio-political processes according to their wishes. Philanthropy exists as a popular device in their toolkit to create a common framework for the capitalist way of life around the world. Similarly, Short (2013) speaks about the inception of a "Second Gilded Age", since our time resembles the extreme concentration of wealth and power that was held amongst American elite clans like the Carnegies, Morgans or Vanderbilts at the turn of the 20th century. Short's historical reference is significant since the corresponding 'First Gilded Age' has had significant influence on the formation of a highly institutionalized philanthropic sector in the Western hemisphere with lasting legacy. In fact, Arrighi (1994) documents charitable activities mobilised by the *House of Medici* that trace back to the days of the 15th century. Similarly, Engels (1845) explains, while writing about *The Condition of the Working Class in England*:

> The English bourgeoisie is charitable out of self-interest; it gives nothing outright, but regards its gifts as a business matter, makes a bargain with the poor, saying: 'If I spend this much upon benevolent institutions, I thereby purchase the right not to be troubled any further, and you are bound thereby to stay in your dusky holes and not to irritate my tender nerves by exposing your misery. (p. 222)

While the relationship between philanthropy and the general accumulation process has always been symbiotic, it is the subsequent degree of institutionalization and the growth of private mammoth foundations in late 19th century America that gives the field a new and extremely powerful drive (Barker, 2017; McGoey, 2015). The most powerful private and liberal foundations in the United States that emerged at that time still call the shots within the field of global philanthropy today. The basis of their power is historically grounded but correlates at the same time with both their immense financial clout and connectivity to other institutions (Harvey, 2013). At the apex of this nexus, the world's central banks operate in combination with state regulatory authorities in a form of state-finance nexus. They form the pivot of the global money and credit system and regulate international vis-à-vis national investment markets. For instance, the National Bank of Cambodia recently declared to support microfinance institutions (MFI) "by offering cheap loans, lowering license fees or delaying the imposition of reserve requirements. […] the central bank could give loans at 3 to 4 percent interest to MFIs as long as they leave a deposit in U.S. dollars or provide a guarantor" (Sokunthea, 2017). Based on these and other decisions, which create a complex regulatory framework, the philanthropy-finance-development complex can thrive, make investment decisions and conduct concrete transactions. The New York-based Rockefeller Foundation, for example, works very closely with the bankers of JP Morgan to structure the money-side of their philanthropy. These strong ties with Wall Street become even more important today as philanthro-capitalism is driven by profit motive. The logic of interest-bearing capital requires distinct financial expertise to channel investments across the globe.

However, grasping philanthro-capitalism as a monolithic field with a single power centre would be misleading. Despite historical power structures dominated by U.S. foundations and the Federal Reserve Bank (coupled with the U.S. treasury), which surely play a significant role in the composition of discourses about elite philanthropy, the philanthro-capitalism of the super-rich is truly globalized. Ultra-wealthy elites residing in Asia – such as Hong Kong, Singapore and India – are catching up in aligning their philanthropic giving with the new financialized paradigm (Šoštarić, 2015). There is a developing consciousness for a new 'way of giving' among elite philanthro-capitalists, especially amongst younger generations. One empirical example, derived from fieldwork interview in 2016 (with a financial advisor who works with Asian philanthropists) is the Yet-Sen Chen family. The industrial clan based in Hong Kong was long led by the late Robert Yet-Sen Chen, who had founded a small manufacturing empire in the 1960s (the Wahum Group). When his son James took over the business operations and opened a family foundation in the early 2000s:

> He also looked on the history of the family's philanthropy. In the first two generations the wealth had gone back into China: in the building of schools and hospitals in the place where his grandfather had come from. And that is a very typical Chinese way of viewing philanthropy. It is all going back to the place of the ancestors and the founders of the company. And still that continues, today. But James, being American educated, became exposed to global philanthropy. He wanted to see that the family's philanthropy would not only continue a kind of historical track but could also find a new modern meaning. And, he set up an investment company for the family's philanthropy which could also be used to make impact investing. (Interview with private impact fund manager, Singapore, January 2017)

Although culturally diverse and spatially dissociated forms of philanthropy have existed at different points in time, different forms of philanthropy or gift-exchange have always been a vehicle controlled by ruling social elites to hold class antagonisms in check, even if the concept of 'class' had developed different meanings in diverse geographical contexts (Mauss, 1997). Regarding philanthropic practices, this core similarity makes it easier for the globally linked *nouveaux riches* today to create common beliefs and rationales, and to defend their class interests across borders. Thereby, their common denominator becomes the language of finance, which again correlates with the spirit of our time.

Philanthro-Capitalism in the Era of Financialization: Social Entrepreneurship and Impact Investing

Founded in the Indian province of Bihar, the start-up company and so-called social enterprise Husk Power Systems (HPS) installed 84 mini-power plants over the last seven years. The internationally trained engineers and founders of Husk – Charles Ransler and Gyanesh Pandey – had developed a proprietary engine running on a methane-like gas released by heating rice husks. While villagers traditionally used agricultural waste for heating in the past, it has not been common for electricity generation. Initially, they planned to construct a small number of generators for providing electricity to a few villages. However, the technology offered their company immense growth potential, as such husks – a waste product of rice milling – are plentiful in those villages. Today, HPS uses their incinerators to provide energy to more than 200,000 people spread across 300 townships. By 2020, Husk seeks to supply electricity to more than 10 million villagers all over rural India. Beyond selling the use value of electricity, the company plans to generate further profits in the global market for carbon credits – that is, earnings from emission savings – by selling credit surplus (Revkin, 2008).

Such social enterprises purportedly create a significant positive social impact for their employees and local communities, as proclaimed by Husk Power Systems (2015) on their corporate website:

> Each plant serves around 400 households, saving approximately 42,000 litres of kerosene and 18,000 litres of diesel per year, significantly reducing indoor air pollution and improving health conditions […] HPS promotes economic development by enabling businesses to stay open after dark and allowing children to study at night. […] Additionally, it creates employment through its livelihood programme […] which largely employs women. This enables sustainable development within the communities HPS serves.

Social enterprises like Husk, their workers, production units and other related socio-material infrastructures represent tangible spatial fixes of philanthro-capitalism. The nomenclature traces its origin to an uncritical pamphlet by Bishop & Green (2008) entitled *Philanthrocapitalism: How Giving Can Save the World*, following which this new form of global philanthropy has established itself as a creed for a tiny elite of super-rich aiming to manage endowments and private wealth in a philanthropic and profitable way. Published during the outbreak of the global (financial) crisis of capitalism, this pamphlet celebrated the wealthy, particularly tech-billionaires, and hailed the new age of philanthropy as a tool to cure social problems and spur development around the globe (Callahan 2017). Philanthro-capitalism's underlying concept of reconciliation between market and morals is powerful, but not entirely new, as it conveys a post-modernised interpretation of Adam Smith's invisible hand vis-à-vis the moral sentiments of market exchange (Smith, 2002 [1790]). It seems that for new philanthropists, "the market and social responsibility are not opposites, but can be reunited for mutual benefit [...] their goal is not to earn money, but to change the world (and as a by-product, make even more money)" (Zizek, 2006).

At least since the collapse of the Lehman Brothers bank in 2008, this new form of philanthropy has become a thriving business to "reinvigorate capitalism itself" (Porter & Kramer, 2011). In public, tech-billionaires like Bill Gates appear as leaders for the philanthro-capitalist class and the financial industry arising from it. They make use of their private foundations and family offices, but also operate through specialized fund vehicles affiliated to private wealth managements of major investment banks. Unlike traditional foundations of the late 19th century which pursued a practice of pure grant-making, philanthro-capitalists see themselves as social financiers, or more technically speaking, as *impact investors.* By harnessing the logic of capital, they transform the act of philanthropic giving into a profit-oriented investment process. The projected surge of philanthro-capital would offer potential profits between USD 183-667 billion (ibid.), as successful social enterprises easily achieve between 20-30 percent return on investment. Husk is an attractive example for these growth fantasies: between 2008 and 2011, the London-based Shell Foundation provided four rounds of seed-funding for research & development, pilot projects, expansion and worker's training. Furthermore, several specialised funds – like Acumen (New York) or LGT Venture Philanthropy (Zurich and Singapore) – added loan capital that totalled USD 1.65 million. In 2010, Husk raised a further USD 1.25 million from the International Financial Corporation (IFC), followed by another USD 5 million fund from different other investment vehicles in 2012. Such growth projections even prompted Husk's management to aspire towards a listing on the Indian stock exchange (Brest & Born, 2013).

A Global Institutional Landscape: The Philanthropy-Finance-Development Complex

The orchestration of hegemonic ideas among capitalist elites unfolds not as free-floating but requires mediating institutions. In the field of philanthro-capitalism, these key actors include private foundations, development agencies, private investment and development banks, incubators and fund vehicles. In urban centres, the professionals working in the headquarters of finance or offices of state agencies and public bureaucracy, or in the buildings of civic and other non-governmental organisations, are all active in orchestrating a form of governance: they act as mediators between localised interests of particularity and global political-economic relations and discourses.

Such institutions operate on various scales and are organised territorially, while their actions correspondingly define a specific sphere of political influence. Banks like JP Morgan and development agencies like USAID, for instance, operate at a global scale, which require them to establish office locations in metropolitan cores all around the globe – in New York, Singapore or New Delhi. Private foundations and philanthropists, such as Rockefeller, then co-operate with those global actors forming what we call a 'philanthropy-finance-development complex' (Gabor & Brooks, 2017).

The global governance of philanthro-capital thus implies a dense web of institutional layers producing a distinctive geographical landscape and corporatist forms of organisation, alongside entrepreneurial and financialised modes of action (Harvey, 2001). This coalition enables the super-rich to spread the finances of their philanthropy, as well as associated ideas and rationales, globally. This development is of course not unique to the philanthropic field alone, but a general trend of financialized capitalism. Such changes in the sphere of philanthropy correlate with broader trends in the capitalist space-economy:

> All these institutions that most people […] don't even know they existed. Things like the WTO, the IMF, the World Bank and that there is this seamless web between them and transnational corporations, international finance, including NGOs. That essentially for the first time in human history there [is] a planetary administrative bureaucracy. (Graeber, 2017)

In concrete terms, these institutional networks define a set of universal practices, principles, norms and notions (such as social entrepreneurship or social impact) which thereafter guide their actions and communication with each other. It is through this institutional perspective that one can fully grasp how philanthro-capital links small farmers in rural India to the boardrooms of corporate foundations in New York, the corridors of the World Economic Forum at Davos and business incubators in Mumbai.

The execution of those ideas and their usage towards the actual production of space are operationalised though particular actors – the bureaucrats, development aides, bankers etc. The combined action of multiple human microforces and their social interaction through forms of exchange create systemic institutional power, correlating spatial effects and symbolic meaning (Kohn, 2003). One example for this process in the field is the popularization of the 'social enterprise' concept. Around the same time when neoliberalism became popular as a political project, the social enterprise concept was created by William "Bill" Drayton in 1980. Drayton was a political advisor to US president Carter and a great advocate of market-based governance. He founded Ashoka, a non-profit think-tank headquartered in Washington, which became a very influential global networking platform promoting social entrepreneurship by affiliating social entrepreneurs to the Ashoka organization. One of the most prominent Ashoka fellows is Nobel Prize Laureate and microfinance-pioneer Muhammad Yunus. The microfinance industry has played a crucial role in the advancement of philanthro-capitalism in developing countries in recent years, particularly since the first of those investments had financial inclusion as a central theme (Roy 2010). Following Drayton, the social enterprise approach became further popularized by Klaus Schwab, a pioneer of the World Economic Forum, while over time philanthropists started gradually diversifying their portfolios beyond microfinance and into other sectors.

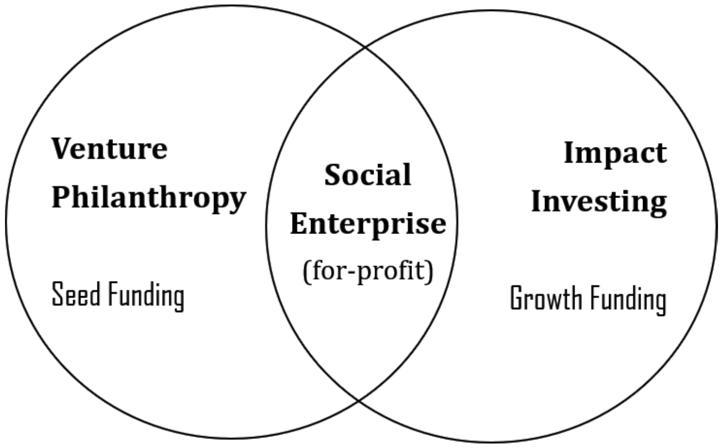

Figure 1: Philanthro-Capitalism – A Venture Capital Model

Source: Based on Šoštarić (2015: 17)

Another key group of actors are elite executives associated with the financial boom of venture capital. Their experiences significantly shaped the newly emerging model for philanthropy, which gained steam since the 1990s. Coming from their venture capital world, nouveaux riches from finance and tech companies initially found it difficult to do philanthropy. They could not understand it through the habitual framework of doing business as most existing forms of philanthropy did not operate with business plans and were not focused on measurable returns. As a result, they were trying to interpret philanthropy through their venture capital model. Their involvement in philanthropic activities led to a process model that looks like a conventional venture capital investment today (Figure 1). They create specialized funds to channel money into social enterprises, help them grow, and then sell those companies while making a return to the investors and themselves. The underlying investment cycle splits up technically into two major processes: an early stage seed-funding and incubation phase (termed 'venture philanthropy') and a growth investment, which strives to scale up and is branded with the more popular term 'impact investing'.

In concrete social practice, this model unfolds and translates into a specific investment process, with different institutions clustering around it, demonstrating how the philanthropy-finance-development complex works on the ground. At the beginning of the cycle, foundations like Rockefeller or Gates consult their bank managers, like those of JP Morgan. The bank selects a fund product for the investor, while the fund vehicle itself collects the money from the investor via the bank and channels it – as interest-bearing capital – into a peculiar portfolio of social enterprises. The investors can thereby choose among different sectors, regions and rates of profitability. In this way, they create a specific balance between 'social impact' and financial returns.

On the ground, business intelligence agencies or advisors serve as business consultants to social enterprises. Those advisors are important middlemen in the field. They speak the language of finance of investors and fund managers, and also understanding the concerns of labouring social entrepreneurs and their employees, so they can translate between both parties. These business intelligence advisors open bank accounts, file relevant paper work, deal with courts and civil administrations, oversee the money flows between funds and enterprises, and give concrete advice to business activities – all in close dialogue with the fund management to assure returns on investment.

Private foundations play another important role in the field. Apart from being major investors themselves, the most powerful among them also invest into the institutional infrastructure of the market, especially into fund vehicles and private network platforms. One such example is the Impact Investment Exchange (IIX) based in Singapore. This organisation is officially funded by the Bangladeshi Durreen Shahnaz, one of many investment-bankers-turned-social-entrepreneurs from New York (John et al., 2013: 119). However, half of the IIX' operational costs are covered by the Rockefeller Foundation and other Wall Street organizations. Among a whole range of structured instruments to finance social enterprises, IIX is developing a so-called Impact Exchange. Like a conventional stock exchange, this platform is supposed to provide liquidity for investors through the listing, trading, clearing and settlement of "impact securities" (ibid.). Today, IIX is one of the most important fund vehicles facilitating impact investments in Southeast Asia. Figure 2 shows how investors (in the form of foundations and (development) banks), fund vehicles, and business intelligence (such as incubators and consultancy firms) feed into the formation and operations of social enterprises on the ground.

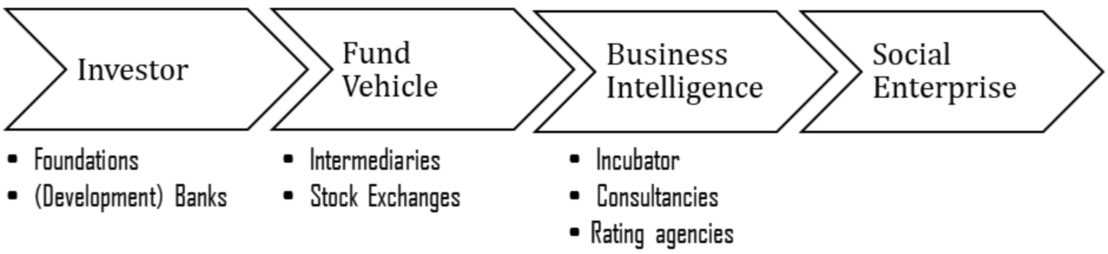

Figure 2: The Investment Process

Source: Authors' own

Conclusion: Philanthro-Capitalism and the Tale of Global Development

Under the mask of global philanthro-capital, there is a powerful drive to create another 'world after its own image' (Marx & Engels, 1969 [1848]: 16). In the words of Bill Gates:

> [C]orporations have the skills to make technological innovations work for the poor […] We need a more creative capitalism: an attempt to stretch the reach

> of market forces so that more companies can benefit from doing work that makes more people better off. We need new ways to bring far more people into the system – capitalism – that has done so much good in the world. (cited in Roy, 2010: 25-26)

As one of the world's leading western philanthropists, Gates' remarks are a homage to the power and functionality of capital. For philanthro-capitalists, the production of use values in relation to exchange value[2] creates the only effective opportunity to free people at the bottom of the pyramid from their assumed impoverishment and misery. Emanating from their own style and standard of living, philanthro-capitalists claim that their impact investments facilitate the repeal of social inequality by stimulating entrepreneurial activity of social enterprise across the globe, while creating opportunities of wage labour and sustainable livelihoods for related local communities (Rockefeller Foundation, 2012; Bugg-Levine & Emerson, 2011; J.P. Morgan, 2010). In this vein, the investor defines what poverty and development is.

This capitalist idea of development implies that notions like (women's) empowerment, poverty, and sustainability are always associated with the possession and profit-seeking usage of money. They are thus relentlessly drenched with the idea of capitalism as the only viable and desirable way of life. This ideology is also reflected in the way 'social impact' is ultimately measured and quantified by specialised data providers who report to fund managers and investors:

> What is the change created in their lives, how many of them got jobs later, how much did their income increase, were they able to save money? […] So that in the end of the day you can tell every investor, for every dollar you invest you are making, let's say 5 dollars of social impact. Out of these 5 dollars there are many ways to cut that and to understand. You can say 3 dollars go towards impacting women and 2 towards men. (Personal interview with business intelligence firm, Singapore, June 2016)

In this view, 'underdevelopment' – especially in the Global South – accordingly stems from an insufficient integration into the world market and money-based systems of

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[2] We are alluding to Marx' (2009 [1867]) *theory of values* here: under capitalism, the appropriation of nature through human labour and the adhering material transformation get embodied in the generic performances of production and consumption. The interrelation of both domains takes a very peculiar shape: centred around the sphere of market exchange which is distributing the fruits of labour among individuals; and simultaneously dividing both productive and consumptive spheres towards spatio-temporally separated activities. Analogues to the emergence and social dominance of exchange and the dispersal of economic activities, use values lose any appearance of universality. Instead, the value of products starts to express a relational category between use and exchange values (Harvey, 2006 [1982]).

production and consumption. From the subaltern perspective, however, local communities in rural or 'less integrated' geographies of the Global South had always lived their own standards of 'development'. Hence, so far, money had no or only little use value for the people populating those places. Or, to recall another intriguing statement from an interviewee in India:

> Many of the rural and informal economies in India, they are not run by cash, they have barter systems. So, everyone from outside thinks they will die – but nobody dies. (Personal interview with social business advisor, Mumbai, February 2017)

Gates, Rockefeller and others deliberately ignore this subaltern perspective. By employing the imperial force of the money as capital, philanthro-capital is used to create an uneven power relationship between investors, investees and broader local communities. Once in operation, the monetary social bond, weaved by processes of market exchange, gives investors the ability to control. This capacity emerges from the growing significance of (relational) value for those societies and their social reproduction process. When money further penetrates the social fabric of these concrete communities, it ultimately starts to shape their inner social relations. Simultaneously, investors hold monopolised control over the 'thing' now driving the reproduction process – money – which creates a new form of dependency. Henceforth, social entrepreneurs and their employees need to offer their labour power in exchange for money to survive. In turn, their labour must yield a profit for the investor:

> Once you are supported by an investor-backed fund, you are not working anymore for yourself. Because frankly speaking, my quality of life was better five years ago [before the investor came in]. Now I am always scared: "what if you only grow by 10 to 15 percent?" When an investor is sitting there, then you must grow and spend money also. If you do not spend money you might not grow. It is a risk. But that is the reason. Because you are loaded up with so much risk. Either you go up or you crash. […] My quality of life was better before [laughing loudly] and I had much less risk. I never mortgaged my house. Now I mortgaged my house twice! (Personal interview with social entrepreneur, New Delhi, December 2016)

The spatiality of development therefore needs to be seen in systemic terms. Economic progress in North America and Europe (i.e. the wealthier places of the world) has always been part of the development in Africa, Latin America and Pacific islands states in which they were held in unequal relationships. Their 'underdeveloped' economies became the rationale for aid and charity programmes from developed economies, which then produce even greater dependence (Brookfield, 1975; Escobar, 1995; Moyo, 2009). The legal freedom of boundless exchange within the (global) marketplace is rooted in the dispossession of labour power, which is key to sustaining social relations of structural dependence. Freeing 'the poor' from their impoverishment and develop their livelihoods towards the world of capital creates new financial logics, relationships and structures. Such financialized modes of 'giving' emphasise individual enterprise and freedom (especially in terms of economic and social impacts) but conceals the inherent inequalities of such arrangements. "A world of individuality and freedom on the surface conceals a world of conformity and coercion underneath" (Harvey, 1985: 2). Along these lines, philanthro-capital is about to create a 'world after its own image' – as another world of structural dependency develops between rich and poor vis-à-vis capital and labour.

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