Bill Gates, Philanthropy, and Social Engineering? (Part 1 of 3)

By Michael Barker Tuesday, July 15, 2008

Like many of the world’s richest businessmen Bill Gates believes in a special form of democracy, otherwise known as plutocracy, that is, “socialism for the rich and capitalism for the poor”. Following in the footsteps of the robber barons, like John D. Rockefeller and Andrew Carnegie, who founded two of America’s most influential liberal foundations (e.g. the Rockefeller Foundation and the Carnegie Corporation), Gates, like most capitalists, relies upon the government to help regulate and protect his business interests from competition, but is less keen on the idea of a government that acts to redistribute wealth to the wider populous. Dean Baker surmises this idea when he writes that Bill Gates is after all “one of the heroes of the conservative nanny state.” In the minds of such massively powerful would-be capitalists, the State is merely a tool to be harnessed for profit maximization, and they themselves, the ones who have acquired their wealth by exploiting and manipulating the economic system then take it upon their own shoulders to help relieve global inequality and escalating poverty – the modern day’s white man’s burden. As one might expect, the definitions of the appropriate solutions to the capitalist-driven inequality that are generated by the world’s most successful capitalists neglect to seriously challenge the primary driver of global poverty, capitalism. For the most part the incompatibility of democracy and capitalism remains anathema to all, instead liberal philanthropists industriously fund all manner of ‘solutions’ that help provide a much needed outlet valve for rising resistance and dissent, while still enabling business-as-usual, albeit with a band-aid stuck over some of the most glaring inequities.

With huge government-aided financial empires resting in the hands of a small power elite, the ability of the richest individual philanthropists to shape global society is increasing all the time, while the power of governments to influence society is being continuously undermined by many of the powerful philanthropists. This situation is problematic on a number of levels least of not which is that existing theories of democratic governance find no legitimate role for liberal philanthropists acting as extra-constitutional planners. Democratic governments rely on taxes to stabilize existing
structures of governance; however, by exploiting specifically designed legislation, billionaire capitalists are able to create massive tax-free endowments to satisfy their own particular whims or interests, but not necessarily those of the wider public. This process in effect means that vast amounts of money is regularly ‘stolen’ from the democratic citizenry, whereupon is redistributed by unaccountable elites, who then cynically use this display of generosity to win over more supporters to free-market principles that they themselves do their utmost to protect themselves.

Bill Gates’ Microsoft Corporation and his associated liberal foundation, the Bill and Melinda Gates Foundation – which is the largest of its kind in the world – are only one of the more visible displays of capitalisms hypocrisy. However, to date within the scholarly literature no attention has been paid to the activities of this powerful philanthropist, thus this article will provide the first critical overview of Bill Gates’ global social engineering. Given the paucity of studies that have incorporated critiques of liberal philanthropy many readers may not be familiar with the numerous critiques of liberal philanthropy, however, these will not be reviewed here as I have reviewed this literature elsewhere.[1] Instead using a Gramscian conceptual framework, supported by Joan Roelofs critical insights into the democracy manipulating activities of liberal foundations, this article will concentrate on providing much needed historical context to Bill Gates’ philanthropy. Subsequently, the article will provide a brief overview of the business that generated Bill Gates’ fortune, the Microsoft Corporation, and will then examine some of the people and projects that are links to his global philanthropic activities.

**Capitalists cum Philanthropists: the roots of Gates' philanthropy**

At this present historical juncture, neoclassical free-market economic doctrines – in theory at least – are the favored means of promoting capitalism by business and political elites. Unfortunately, in many respects this neoliberal dogma has been adopted, arguably against their own best interests, by a sizable proportion of the citizenry of the world’s most powerful countries (e.g. in the United States and UK). This widespread internalization (but not necessarily acceptance) by the broader populous of the economic theories that consolidate capitalist hegemony over the global market did not happen naturally, but actually required a massive ongoing propaganda campaign to embed itself in the masses minds. The
contours of this propaganda offensive have been well described by Alex Carey who fittingly observed that: “The twentieth century has been characterised by three developments of great political importance: the growth of democracy, the growth of corporate power, and the growth of corporate propaganda as a means of protecting corporate power against democracy.”

There are many reasons why corporate giants engage in liberal philanthropic endeavors: one is to have a direct influence on political decisions through what has been termed political philanthropy,[2] but another important reason is that such charitable efforts help cultivate a positive image in the publics’ mind that serves to deflect often much warranted criticism, while also helping them expand their market share. However, although liberal foundations like the Gates Foundation may engage in such ostensibly progressive activities this does not mean that the capitalist enterprises from which their endowments arise (i.e. Microsoft) refrain from engaging in normal antidemocratic business practices. So while the Gates Foundation directs some of its resources to progressive grassroots initiatives, its corporate benefactor actually works to create fake grassroots organizations (otherwise known as astroturf groups) to actively lobby through covert means to protect corporate power.

For instance, in 1999 Microsoft helped found a corporate front group called Americans for Technology Leadership – a group which describes its role as being “dedicated to limiting government regulation of technology and fostering competitive market solutions to public policy issues affecting the technology industry.” In 2001, Joseph Menn and Edmund Sanders alleged that Americans for Technology Leadership orchestrated a “nationwide campaign to create the impression of a surging grass-roots movement” to help defend Microsoft from monopoly charges. The founder of this front group, Jonathan Zuck, also created another libertarian group in 1998 called the Association for Competitive Technology, a group which was part sponsored by Microsoft to fight against the anti-trust actions being pursued against Microsoft in the United States. Such antidemocratic campaigns waged via front groups and astroturf organizations, however, were just one part of Microsoft’s democratic manipulations: this is because as Greg Miller and Leslie Helm demonstrated (in 1998), this was just one part of a program that Microsoft and PR giant Edelman had been planning as part of a “massive media campaign designed to influence state investigators by creating the appearance of a groundswell of public support for
the company.”[3] None of this should be surprising because in 1995 it was also revealed how Microsoft were using “consultants to generate computer analyses of reporters’ articles, enlist industry sources to critique writers they know and – less frequently – provide investigative peeks into journalists private lives”. Amongst the rare spate of critical articles surfacing in the late 1990s, to add insult on injury it was also shown that Microsoft had also made a $380,000 contribution to the conservative corporate-funded astroturf group Citizens for a Sound Economy (now known as FreedomWorks).[4] Unfortunately, these examples only represent the tip of the iceberg of Microsoft’s democracy manipulating activities, as the corporate media while able to make occasional critical enquiries into corporate misdemeanors can hardly be relied upon to act as a corporate watchdog.

Like what were formerly known as the “big three” liberal foundations – the Carnegie Corporation, the Ford Foundation, and the Rockefeller Foundation – whom exhibited a long history of working closely with the US government’s Central Intelligence Agency, Microsoft also has its own ties to the shadowy intelligence community. Thus in the aforementioned astroturf campaign involving Americans for Technology Leadership, another group that worked alongside this coalition on Microsoft’s behalf was a group called Citizens Against Government Waste. This anti-regulation group was founded in 1984 by syndicated columnist Jack Anderson and the late J. Peter Grace (1913-1995); however, Grace’s role in creating this group is particularly noteworthy as he had formerly chaired the AFL-CIO’s American Institute for Free Labor Development (or Solidarity Center), a group that has a long history of working closely with the CIA and the National Endowment for Democracy to promote the US’s imperial interests overseas. Of course, Grace who died in 1995 was not part of the Microsoft campaign, but the point here is to merely indicate the types of conservative groups that Microsoft associates with. Moreover, in 1999 it was revealed that Microsoft has direct ties to the intelligence community as “special access codes for use by the U.S. National Security Agency (NSA) ha[d] been secretly built into all versions of the Windows operating system”.

These CIA-connections should be expected as one of Microsoft’s main clients is after all the Pentagon. Furthermore, Microsoft’s board of directors itself is also home to a key member of the ‘defense’ establishment, as in November 2003 Charles Noski joined their board. Shortly thereafter, in December 2003, Noski joined the
Northrop Grumman Corporation – which happens to be the third largest arms manufacturer in the world – as their corporate vice president, a position he retained until March 2005 (he also served on their board of directors during these years). Another Microsoft director, James Cash, Jr., also serves on the board of General Electric, yet another major military contractor; while Noski also serves as a director of the Rockefeller-linked investment banking giant, Morgan Stanley, and fellow Microsoft board member Dina Dublon is the former chief financial officer for the Rockefellers’ financial services company JPMorgan Chase.

Finally last but not least the CEO of Microsoft, Steven Ballmer, who has served in this position since 2000, has links to another controversial group called the Jewish National Fund (JNF). Here he serves on their World Chairman’s Council, a council that is composed of a “select group of people who have demonstrated an enduring commitment to Israel and JNF” by donating over $1 million. This group was formed in 1901, and is widely considered to be an environmental organization, which as their website notes, has “planted over 240 million trees, built over 180 dams and reservoirs, developed over 250,000 acres of land, created more than 1,000 parks throughout Israel and educated students around the world about Israel and the environment.” However, this benign sounding apolitical description warrants closer scrutiny when it is known that JNF’s president, Stanley Chesley, also serves on the executive committee of the American Israel Public Affairs Committee. Indeed, although “throughout the Jewish world the JNF is seen as a highly responsible ecological agency” in actual fact, “JNF was the principal Zionist tool for the colonization of Palestine”. In a recent interview Ilan Pappe put it simply: JNF is simply a “colonialist agency of ethnic cleansing.”[5] This is a very controversial link for a corporation that created the Gates Foundation: however, having provided a critical overview of the corporation that allowed Bill Gates’ philanthropic work to thrive, the following part of this article will introduce some of the people and projects that have been supported by the various Gates foundations.

Michael Barker has just submitted his doctoral thesis, and is currently co-editing a book with Daniel Faber and Joan Roelofs that will critically evaluate the influence of philanthropic foundations on the public sphere. This article was presented as a refereed paper at the Australasian Political Science Association conference.

Notes

[2] Sims estimated that the ‘corporate outlay on political philanthropy in the 2000 election cycle [in the US] was... a minimum of $1-2 billion. This compares to roughly $200 million on PAC contributions and $400 million on soft money contributions” (pp.167-8). Grechen Sims 2003. Rethinking the political power of American business: the role of corporate social responsibility. Unpublished PhD Thesis: Stanford University. (See related article.)


[4] Microsoft representative, Thomas Hartocollis, serves on the board of directors of the National Foundation for Teaching Entrepreneurship – a group that is funded by various conservative foundations and to teach children about the benefits of capitalism.

[5] Illan Pappe writes that: “The true mission of the JNF, has been to conceal [the] visible remnants of Palestine not by only the trees it has planted over them, but also by the narratives it has created to deny their existence.” JNF’s ‘ecological’ sites “do not so much commemorate history as seek to totally erase it”. Ilan Pappe 2006. Ethnic Cleansing of Palestine. Oxford: Oneworld, pp.228-9, 17.