



# City Research Online

## City, University of London Institutional Repository

---

**Citation:** Parmar, I. (2017). Corporate Foundations and Ideology. In: G. Baars & A. Spicer (Eds.), *The Corporation*. (pp. 434-447). Cambridge, UK: Cambridge University Press. ISBN 9781139681025

This is the accepted version of the paper.

This version of the publication may differ from the final published version.

---

**Permanent repository link:** <http://openaccess.city.ac.uk/17409/>

**Link to published version:** <http://dx.doi.org/10.1017/9781139681025.031>

**Copyright and reuse:** City Research Online aims to make research outputs of City, University of London available to a wider audience. Copyright and Moral Rights remain with the author(s) and/or copyright holders. URLs from City Research Online may be freely distributed and linked to.

---

City Research Online:

<http://openaccess.city.ac.uk/>

[publications@city.ac.uk](mailto:publications@city.ac.uk)

---

Inderjeet Parmar (City University London): “CORPORATE FOUNDATIONS AND IDEOLOGY”

*“The Foundation has a structure and interests, symbolized by the people it picks for trustees and officers, that suggest there would, in the long run at least, be limits on our freedom to opt for overly leftist values and objectives, to support scholarship that would show how power and wealth is controlled in a given society or what social patterns are perpetuated by, for example, the operations of a multinational corporation or the foreign assistance programs of the Agency for International Development”* (John Farrell, Ford Foundation; emphasis added)<sup>1</sup>

## Introduction

The ideology of twentieth-century corporate-capitalist democracies, championed by the United States – may be characterized broadly as *liberal* and *internationalist*. Heavily based on the core tenets of ‘Americanism’ – including freedom, limited government, private property, markets, a rules-based international system – liberal internationalism has, its champions claim, seen off all rivals – fascists and communists alike – and, since the ‘end of history’ around 1990, reigned supreme.<sup>2</sup> However, despite its adherents’ claims, liberal internationalism and Americanism are deeply ideological. As Richard Hofstadter claimed long ago, America does not have an ideology, it *is* one.<sup>3</sup>

The United States, perhaps more than other societies, is central to ‘ideology-free’ ideological production and hyper-efficient dissemination. Foundations claim to be scientific, objective, non-ideological and non-political, beyond the state and big business. In that regard, they attach to the longer American pragmatic philosophical tradition the late-nineteenth and early twentieth-century development of scientific superiority. Hence, foundations claim to pioneer scientific giving and scientific management of society, economy and government. It was just a century ago that American leadership in disseminating a message was demonstrated – presided over by the father of liberal internationalism – President Woodrow Wilson – who gave publicist George Creel licence to sell World War I to the American people; and he did so with devastating effect.<sup>4</sup>

---

<sup>1</sup> OLAC [Office of Latin American and the Caribbean] Social Science Conference, “The Interplay Between the Foundation and the Grantee,” 7 December 1973; 6; Report 010152; Ford Foundation archives, New York, USA.

<sup>2</sup> G. John Ikenberry, *Liberal Leviathan* (Princeton: Princeton University Press, 2011).

<sup>3</sup> Richard Hofstadter, *The American Political Tradition and the Men Who Made It* (New York: A. A. Knopf, 1948).

<sup>4</sup> George Creel, *How We Advertised America* (New York: Harper and Brothers, 1920).

But inadvertently, Creel's massive PR campaign also revealed the other side of the production of ideological hegemony – that persuasion alone is insufficient to deliver a pro-war public; Creel's efforts were ably supported by severe repression of anti-war dissenters at every level of American society – from the shop-floor to the union hall to the Ivy League university. Coercion and persuasion are required to produce 'consent of the governed' in ideology-free societies.<sup>5</sup>

Ideology is understood here as the development of a world-view that serves specific and (slightly) more general interests of a dominant class or elite which produces an elaborate structure of thought, morality and practice that renders their dominance 'natural' and other class views as backward, irrelevant, and extreme.<sup>6</sup>

Of all the sources of ideological production – the modern political party, church, mass media, schools and universities – the corporate foundation is probably the one most frequently neglected yet most fundamental. Modern corporate foundations – Rockefeller, Carnegie, Ford, for example – are central strategic institutions that are networked with corporate wealth, university-based knowledge producers, public affairs organisations, and the state. Indeed, they are pivotal to what some scholars argue is a state-private network that owes its origins to the peculiarities of American history which, as Stephen Skowronek argues, was born as a democracy without a state, in contrast to Europe in the 18<sup>th</sup> century – states without democracy.<sup>7</sup>

This chapter is structured as follows: a brief introduction to the historical context for the rise of corporate philanthropy, and some basic information on how they operate, is followed by an explanation of the character, functions and elite leadership of knowledge networks. This chapter briefly describes the progressive era origins of the major US foundations to establish an essential connection between their strategies and the requirements of the political economy of the era. It then moves to consider the promotion of free market economics in Chile, the principal bulwark of statist industrialization and welfarist democratic strategies in Latin America, as a bridgehead into the region during the cold war.<sup>8</sup> Finally, the chapter considers the role of US foundations in the era of capitalist globalization – free market ideological dominance – and in promoting

---

<sup>5</sup> Q. Hoare and G. Nowell-Smith, eds., *Selections from the Prison Notebooks of Antonio Gramsci* (London: Lawrence and Wishart, 1971); Ralph Miliband, *The State in Capitalist Society* (New York: Basic Books, 1969).

<sup>6</sup> Hoare and Nowell-Smith; Noam Chomsky, *Hegemony and Survival* (New York: Metropolitan Books, 2003).

<sup>7</sup> Stephen Skowronek, *Building a New American State* (Cambridge: CUP, 1982); H. Laville and H. Wilford, eds., *The US government, citizen groups and the Cold War: the state-private network* (London: Routledge, 2006).

<sup>8</sup> Naomi Klein, *The Shock Doctrine* (New York: Metropolitan Books, 2007).

amelioration programmes partly to offset the social devastation that resulted and partly to humanize globalization through reducing the democratic deficit in the wake of the supremacy of transnational corporations and powerful states. In effect, however, the major foundations are ideological in and of themselves as they obscure the destructive nature of the very system (and of their role in that system) of which they are beneficiaries and private corporations the drivers.

Products of the post-Civil War era of rapid industrialization, and the Gilded Age that developed from it, the major American foundations reflected the political-economic ethos and requirements of their time. They were symptoms of deep anxieties about the possible consequences of industrialization, mass immigration and urbanization – processes in Europe that had led to the rise of left-wing parties and movements seeking to nationalize the means of production. This was, to corporate elites, the very antithesis of Americanism. It was in that context – of the threat of populism in the south and west, of organised labour and the left, that corporate elites promoted a range of organisations designed to better organize and modernize capitalist democracy for the twentieth-century.<sup>9</sup> The philanthropic foundation was central to scientifically manage social change and engineer reform of society, economy, and polity, as well as to develop state power so America could aspire to global leadership.<sup>10</sup> Corporate liberalism developed as the long-term strategy to modernize America by developing its political economy to suit the times.<sup>11</sup> Its concepts included a role for the state but always within the remit of developing, consolidating or protecting the corporate system. The balance between ‘freedom’ and the ‘state’ was subject to shifts according to the times – from growing interventionism in the early 1910s and especially during the great depression of the 1930s (the New Deal), WWII, and the internationalization of the New Deal through the Bretton Woods system – IMF, World Bank, United Nations, and the Marshall Plan. Although in the 1920s, 1950s, and 1980s, there was ‘pushback’ against big government, the entire period since the early twentieth-century is characterized by a gradual rise of state power central to which is the health and legitimacy of the corporate sector. In the era of capitalist globalization, the major foundations – including the philanthrocapitalism of the Gates Foundation - championed a softer social neo-liberalism accompanied by attempts to diminish the global democratic deficit through promoting global civil society. In short, the major American

---

<sup>9</sup> L. Goodwyn, *The Populist Moment* (Oxford: OUP, 1978).

<sup>10</sup> Inderjeet Parmar, *Foundations of the American Century: The Ford, Carnegie and Rockefeller Foundations in the Rise of American Power* (New York: Columbia University Press, 2012; paperback edition, forthcoming 2015).

<sup>11</sup> James Weinstein, *The Corporate Ideal in the Liberal State, 1900-1918* (Boston: Beacon Books, 1968).

foundations – in conjunction with the American state – help develop the ideology, and shape the institutions that manage, a corporate capitalist society. Having no shareholders or electors to hold them accountable, corporate foundations are free to explore, invest, pilot, and experiment with new ideas and practices by backing elite think tanks, policy research institutes, university research and teaching initiatives, usually linked with state agencies, in order to better manage American society and shape others too. The major foundations view real-world societies and peoples as laboratories for reform – whether experimenting with eugenics at home in the 1910s, free market economics in Chile in the 1950 to the 1970s, or philanthropic capitalism and a new ‘green revolution’ in Africa today.<sup>12</sup>

However, if their ideological conception of the world was dominated by the essential necessity and superiority of corporate capitalism, their central method of operation in promoting the mindsets that supported that system was the *elite knowledge network*. The malleability of liberal internationalism and the effective power of knowledge networks means that the ideological and political power of the major foundations, and their allies, enables them to elaborate a specific kind of thinking to fit the age – from ‘nationalising America’ to Americanising capitalist globalization.

### **Network building for ideological hegemony**

Integrating elites behind particular ideologically-inspired hegemonic projects has been the foundations’ principal long-term function. Foundations have constructed domestic and international knowledge networks, both as ends in themselves and as means to their ends. Networks are a technology of power that produces significant hegemonic outcomes, “systems of coordinated research, disseminated and published results, study and often graduate level teaching, intellectual exchange, and financing, across national boundaries.”<sup>13</sup> Networks normally include official policy-makers and perform two broad but vital functions: internal and external.

Internal functions refer to what the network does as a system of scholar, knowledge, and money flows, inter-institutional connections, and as a source of attraction. For example, one of the functions of networks is to incorporate and socialise scholars through providing research funds

---

<sup>12</sup> Parmar, *Foundations of the American Century*.

<sup>13</sup> I. Parmar, “American foundations and the development of international knowledge networks,” *Global Networks* 2 (1) 2002:13.

and career-building structures such as professional societies, conferences, and journals. Networks build careers and as individuals progress through the ranks, the structural probabilities for radically different thinking rapidly diminish. Added to this is the increasingly policy-oriented or at least utilitarian character of academic knowledge production – favoured by foundations – that scholars are (structurally) socialised or incentivised to conduct. Therefore, such socialising structures tend to have politically-moderating effects on scholarship.<sup>14</sup>

External functions refers to the external image of the network's members as sources of symbolic capital, producers of prestigious, legitimate knowledge taken seriously by all, especially policy-makers.<sup>15</sup> Foundation-funded knowledge networks clearly regulate the “free” market of ideas, the intellectual environment within which “thinkable thought” occurs<sup>16</sup> which affects the network's ability to reproduce itself by assimilating new generations of scholars, strengthen self-awareness, reinforce common language and codes and, importantly, to engage in intellectual combat with opponents. A key function – the ‘darker’ side of the publicly-declared purpose of philanthropy - is more controversial and is publicly unstated<sup>17</sup>: to bolster US ideological hegemony by promoting specific forms of cooperation and integration for achieving nationalistic, rather than philanthropic, ends.

Together, the internal and external functions of foundations were/are the basis of elite integration and of others' marginalisation. In periods of crisis, however, when old ideas appear inadequate in addressing problems, foundations incorporate critical thinkers to contribute to problem-solving. In the process, however, some radicals are incorporated, ‘domesticated’ and rendered “safe”.<sup>18</sup>

---

<sup>14</sup> See for example, R.J. Brym, *Intellectuals and Politics* (London: Allen and Unwin, 1980); Nakhaie, M.R., and R. Brym, “The Political Attitudes of Canadian Professors,” *Canadian Journal of Sociology* 24 (3) 1999: 329-353. No argument is made here to suggest that scholars knowingly act as foundations' willing ‘agents’ by accepting grants, posts etc.. The argument is made that foundations establish funded networks precisely to provide opportunities to conduct research on problems they have defined and using methodologies they favour yielding results in a form that may be useful to policymakers or practitioners. Given the necessity of research funding, well-funded foundation networks are extremely attractive to scholars.

<sup>15</sup> D. Swartz, *Culture and Power* (Chicago: Chicago University Press 1997).

<sup>16</sup> L. Coser, *Men of Ideas* (New York: Free Press, 1965).

<sup>17</sup> See the quotation at the head of this chapter and the cases outlined below. For a full analysis, see Parmar, *Foundations of the American Century*.

<sup>18</sup> In the cases of Chile, Ricardo Lagos and Osvaldo Sunkel are interesting examples; in the case of Brazil, Fernando Henrique Cardoso serves as illustration. For more on this, Nicolas Guilhot, *The Democracy Makers* (New York: Columbia University Press, 2005).

Networks distribute material rewards and incentives, bestow status and prestige, that powerfully motivate particular kinds of research. Materially and honorifically, networks are hierarchical systems. They, therefore, become important sources of symbolic capital and radiate intellectual influence. Symbolic capital, in turn, helps strengthen the influence of networks in their role as gatekeepers of ideas, bestowers of legitimacy for certain kinds of thinking, implicitly or explicitly undermining others. This combines to produce political influence, moving network members and organisations closer to the centres of power.

The Big 3 – Ford, Carnegie and Rockefeller - behaved this way because they are a part of the American ‘power elite’,<sup>19</sup> especially significant within the east coast foreign policy ‘establishment’.<sup>20</sup> The major foundations are outgrowths of the corporate giants of the late nineteenth and early twentieth centuries, organisations imbued with the ‘scientific spirit’ of the Progressive era.<sup>21</sup> They mobilised scientific knowledge to manage the potentially catastrophic socio-political effects of socio-economic change: industrialisation, mass immigration, urbanisation and the attendant rise of radical political movements.<sup>22</sup> They also pioneered scientific ‘giving’, management, and social engineering to inaugurate a reformed economic and political order.<sup>23</sup>

As Slaughter and Silva show, in their detailed research on the production of Progressive era ideology and practice, the new philanthropic foundations moved quickly to promote certain kinds of approaches to social and economic reform while undermining and marginalising socialist and other alternatives. This was a largely conscious strategy followed by major new foundations including Russell Sage which promoted individual-centred antipoverty programmes of social work rather than acknowledging systemic sources of social problems. The Carnegie Institute of Washington, for example, advanced an ideology of capitalist reform through its

---

<sup>19</sup> C. Wright Mills, *The Power Elite* (New York: Columbia University Press, 1956).

<sup>20</sup> G. Hodgson, “The Establishment,” *Foreign Policy* 1972-3; K. Bird, *The Chairman* (New York: Simon and Schuster, 1992).

<sup>21</sup> A.S. Link and R.L. McCormick, *Progressivism* (Arlington Heights, IL: Harlan Davidson, 1983).

<sup>22</sup> R.F. Arnove, ed., *Philanthropy and Cultural Imperialism* (Boston: GK Hall 1980).

<sup>23</sup> M. Walker, *Makers of the American Century* (London: Vintage, 2001), 54-57.

attempts to generate new bodies of economic knowledge that would not only assist development of technical competence to aid economic change but also overtly challenge Marxist economic ideas.<sup>24</sup>

The Progressive era, therefore, shows the ideological character of the major foundations at their very birth. In addition, it showed that consensus was formed by a combination of persuasion and coercion: the period of the foundations' emergence, 1911-16, is considered one of the most violent in US history in terms of class conflict. Yet, even the persuasive component of this movement was rooted in what we might call hard power as there was massive inequality in the distribution of the means of persuasion – the resources at the disposal of the major corporations and foundations skewed the so-called free market of ideas towards gross over-representation of a particular set of ideas, particularly for globalism and against isolationism.

Additionally, the foundations are unrepresentative elite institutions: their trustees affiliated with Wall St. banks and law firms, service in the State Department, connections with the leaders of both main political parties, the national press, and 'Ivy League' universities.<sup>25</sup> Demographically, their trustees have been overwhelmingly male, white Anglo-Saxon protestants (Wasps), educated at elite schools and universities, and patrons of exclusive clubs.<sup>26</sup> By the 1920s, such groups believed that they, the American elite, had 'come of age' and were fit to lead the world: America was more advanced industrially and socially, more open and democratic, and generally more dynamic. Opposed to moribund empires and atheistic communism, for east coast elites America represented a new way forward for a world of peace and prosperity.<sup>27</sup> American liberal internationalism, embedded in American-led international organisations, was the way forward.<sup>28</sup>

The conception of American global leadership became more concrete during wartime planning for a new world after 1945. In particular, the Rockefeller Foundation, among others, funded

---

<sup>24</sup> S. Slaughter and E.T. Silva, "Looking Backwards: How Foundations Formulated Ideology in the Progressive Period," in R.F. Arnove, ed., *Philanthropy and Cultural Imperialism*, pp.55-86.

<sup>25</sup> B. Whitaker, *The Foundations* (London: Methuen, 1974); W. Nielsen, *The Big Foundations* (New York: Columbia University Press, 1972); J. Roelofs, *Foundations and Public Policy* (Albany, NY: SUNY Press, 2003).

<sup>26</sup> Parmar, *Foundations of the American Century*, especially chapter 2.

<sup>27</sup> E.S. Rosenberg, *Spreading the American Dream* (New York: Hill and Wang, 1982).

<sup>28</sup> N.M. Butler, *Across the Busy Years* (New York: Scribner's Sons, 1940).



planning programmes by the Council on Foreign Relations in cooperation with the State Department from 1940 onwards. In those war and peace studies projects lay the earliest planning for key postwar institutions such as the IMF, World Bank, and the United Nations. Those institutions were central to what CFR planners referred to as the “Grand Area”, the regions of the world that they felt were ideally necessary for the economic, political, military and diplomatic continuation of the American system of corporate power: the grand area encompassed the whole planet barring the Soviet Union (even if the latter was to be ‘contained by a preponderance of Western powers on the security council). Due to the great depression of the 1930s and the dislocations caused by the Second World War, the master concept was state interventionism to reconstruct, develop, and consolidate world trade, finance and production and the global institutional architecture – the Bretton Woods system – that would be fundamental to its operation as a world system, with the United States at the very pinnacle of the order (with strong British cooperation and support).<sup>29</sup> Yet, the forces of neoliberalism and free market ideology were never fully repudiated and the struggle to resurrect laissez faire economics continued and was to assume greater significance once the era of ‘planning’ went into crisis in the late 1960s. But the planning for that era was begun much earlier and Chile assumes a significant role as a laboratory of neoliberal reform. In this, the major US foundations, and state agencies, played key roles.

### **Pinochet’s economists: Chile as a laboratory for the destruction of statism and establishment of neoliberal ideology**

There could hardly be a more clear-cut example of a strategy by the United States to transform another country’s political economy and ideology than that of Chile after the military coup of 1973. The impact of a *self-conscious* American state strategy, with sustained support from the Ford and Rockefeller foundations, to transplant in Chile an economic ideology of free market competition surpassed the strategists’ own expectations: a country that was thoroughly statist, a decades-old welfare state, and recognised as the intellectual epicentre for Latin American ‘structuralist/dependency’ thought, was transformed into a ‘laboratory’ for neo-liberal experimentation on a radical scale. The Department of Economics of the University of Chicago

---

<sup>29</sup> L. Shoup and W. Minter, *Imperial Brain Trust* (New York: Monthly Review Press, 1977); Inderjeet Parmar, *Think Tanks and Power in Foreign Policy* (London: Palgrave, 2004).

was the vehicle for the *secular missionaries* effecting the transformation; the private Pontifical Catholic University of Chile (CU), was the selected bridgehead into Chile and, from there, to challenging the rest of Latin America's attachment to the ideas and policy implications of 'structuralism'. The International Cooperation Administration (ICA, and later, as US Agency for International Development), was the initial inspiration and principal financier; Ford and Rockefeller supplied substantial additional research funds from the mid-1950s to the *late* 1970s. The result: the economists trained at Catholic University, with other right-wing Chileans, developed a secret plan in 1972 for a post-coup economic strategy, overwhelmingly supported the military coup, joined the Pinochet government and provided technocratic expertise for the brutal regime.<sup>30</sup> The stated aim of ICA/USAID, Chicago, Ford and Rockefeller, and the 'Chicago Boys', created by these programmes, was Chilean economic and social development: instead, Chileans' freedoms were curtailed, democracy destroyed, human rights violated. Chilean society became more unequal, and its economy indebted to international banks.<sup>31</sup>

There is, however, another aspect of this matter that requires exploration if one is fully to understand the impact of American foundations on Chile: the fact that, alongside funding free market economics thinking, they also funded the economists of the 'centre' and 'left' who championed structuralist ideas. Chile's 'statism', however, was less an article of faith in 'socialism', even less Marxism, than the institutionalisation of a policy adopted to meet the demands of the economic crisis of the 1930s which, it will be recalled, generated statist responses the world over. ECLA (Economic Commission for Latin America) fully recognised the necessity of developing a strong private sector alongside an interventionist state. This was to have an important bearing on US foundations' economics programmes in Chile.

The long-term consequences of American foundations' Chilean 'experiment' were interesting: the construction of cadres of 'opposition' economists who would later become 'governing' economists – in cases of funding for both 'left' and right'. Free market economists constituted a

---

<sup>30</sup> Juan Gabriel Valdes, *Pinochet's Economists* (Durham, NC: Duke University Press, 1995).

<sup>31</sup> OECD, "Chile should create more and better jobs to cut poverty and inequality," June 2009; at [http://www.oecd.org/document/49/0,3343,en\\_33873108\\_39418658\\_42514801\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/49/0,3343,en_33873108_39418658_42514801_1_1_1_1,00.html); accessed 18 March 2010. Chile is one of the most unequal societies in Latin America: between 1980 and 1989 the share of wealth owned by the wealthiest 10% of the population increased from 36.5% to 46.8%.

new intellectual/professional viewpoint previously missing in Latin America/Chile. The funding of centrist/leftist i.e., statist, economists, in the long-run, maintained and developed cadres who would eventually replace the Chicago boys in Chile, once political democracy was restored in the 1990s. The key point is that both schools of economists favoured by American foundations were part of a spectrum of economic beliefs featuring important overlaps: only the most extreme elements of the Chicago boys rejected the state in its entirety, and hardly any of the funded 'statist' economists rejected the market or a significant role for private capital. Additionally, and highly significantly, *the foundations were interested in promoting the most technocratically-minded leftist/centrist economists, and consistently promoted the virtues of 'apolitical' research and scholarship.*<sup>32</sup> The military coup and regime, however, was to have important unintended consequences. For the first time, leftist and centrist Chilean scholars became unmoored from political patronage – their political parties were dissolved and their 'state' dismantled, forcing them into collaborating with scholars of differing political tendencies just to survive. Consequently, when they 'returned' to Chile, they were more overtly apolitical and more self-consciously technocratic in outlook. Pinochet's economists, who had always championed a technocratic approach, now were 'opposed' by technocrats of the 'left' and 'centre'. This, too, was significant and linked with US foundation largesse: many of the exiled Chilean social scientists were 'housed' in research institutes that were funded by international agencies, including the leading American philanthropies.<sup>33</sup>

By the late 1980s and 1990s, of course, the statist-left the world over had abandoned as untenable many of its ideological/political attachments to statism and embraced a watered-down version of market economics, particularly in the conditions of globalisation. This helps explain the rightward shift to privatisation etc.. of President Fernando Henrique Cardoso in Brazil, a former left-of-centre 'dependista'. In short, the ideological spectrum of beliefs in regard to economic policy and strategy had narrowed from the 1970s to choices between variations of market capitalism, with an 'enabling' state rather than an interventionist one. The long-term consequences of foundation-sponsored economics in Chile and Latin America more generally, conditioned by changing political circumstances, economic and financial crises, and the onset of

---

<sup>32</sup> Patricio Silva, "Technocrats and Politics in Chile: from the Chicago Boys to the CIEPLAN Monks," *Journal of Latin American Studies* 23 (2) May 1991, 385.

<sup>33</sup> Silva.

globalisation, were significantly to marginalise socialist options and narrow the range of economic strategies to choices between capitalist market strategies.<sup>34</sup> US foundations sustained a strong, largely centrist, internationally-connected counter-hegemonic intellectual-political network in Chile that gradually came to accept the neo-liberal model, with a social dimension, by the late 1980s.<sup>35</sup>

As noted earlier, US state strategy was to undermine and replace dependency theory. Dependistas – of various tendencies – promoted nationalistic capitalist economic development strategies based on state-led-industrialisation, high tariffs on imports, import-substitution, welfare states, and so on.<sup>36</sup> The practical implementation of this theory meant restrictions on US trade with LA/Chile, high taxes on foreign investment, nationalisation of foreign investment on occasion, fixed exchange rates, and laws restricting repatriation of MNCs profits.

ECLA championed dependista thought, developed by Raul Prebisch, a former central banker from Argentina, who headed ECLA from 1951. In order to undermine ECLA, seen as too “left wing” by the American state, the United States engaged in a two-pronged strategy: first through the Organization of American States; and secondly, through funding free market economics through the ICA-inspired University of Chicago-Catholic University of Chile linkage.<sup>37</sup> Both Rockefeller and Ford backed the ICA/USAID programme for many years. RF and FF also backed economics at the University of Chile which was more attached to dependista schools of thought and supplied economists to various governments of the centre and left, including Eduardo Frei in the mid-late 1960s and Allende in the early 1970s.

---

<sup>34</sup> As J. Ramos argues, “ ‘We no longer talk about whether a centrally-planned or market economy is better, but rather what the best combination of the two in a mixed economy would be’”; cited in Veronica Montecinos, “Economic Policy Elites and Democratization,” *Studies in Comparative International Development* Spring 1993 28, 1, 46, fn. 86.

<sup>35</sup> Eduardo Silva, “The Political Economy of Chile’s Regime Transition: from Radical to ‘Pragmatic’ Neo-Liberal Policies,” in Paul W. Drake and Ivan Jaksic, eds., *The Struggle for Democracy in Chile* (London: University of Nebraska Press, 1995; second edition), 98-127.

<sup>36</sup> Clearly, dependency theory is broad and encompasses Marxist and non-Marxist variants. In this chapter, the version of dependency theory referred to is the original ECLA version outlined in the text above; see Herlado Munoz, ed., *From Dependency to Development* (Boulder, Colo: Westview Press, 1981) for a very good review.

<sup>37</sup> John Strasma, “A Note on Chilean Economics in 1960,” in PA61-372A, reel 3126; FFA.

The meaning of ‘political’ for Ford requires some clarification. While *policy-oriented research* was supported by large grants, Ford tried to steer away social scientists from open *party political* activity. Policy-oriented research was defined as non-political and technocratic: it could and would form the basis of policy-related advice to official policy-makers. However, electoral activity, partisanship, ideological warfare with opponents in or beyond the academy, was treated with some suspicion, particularly from the ‘left’ but also, later, from the ‘right’. Ford wanted, in effect, to transplant into Chile an ‘American’ model of the policy-oriented social scientist: one who could serve any mainstream political party or administration by providing ‘objective’ advice based on certified professional expertise that eschewed ideology and politics. The implication was that objective, impartial and scientific knowledge was possible, desirable and superior and the only basis of developing a modern state, polity, society, and economy. Party politics, on the other hand, was motivated by power and hence corrupt and divisive, a source of instability. At the heart of this analysis lay the experience of the United States itself in the late nineteenth and early twentieth centuries, when American elites were themselves involved in a ‘search for order’, an end to partisan struggles, ‘pork-barrel’ politics and the ‘tyranny of the majority’. It is in this narrowly-defined sense that Ford and other American foundations claimed to be non-political. Hence, their hopes and plans for a ‘pluralist’ and professionalised Chilean social scientific community were not seen as in any way ‘political’ – the exercise of influence to affect outcomes. They were seen as ‘technical’ adjustments and developments necessitated by the objective requirements of ‘modernisation’.

Ford funding for projects in Chile totalled \$22.5 million between 1960-70, according to Peter Bell. Ford was funding, by 1970, “approximately half of all Chileans now studying for their doctorates in the United States.”<sup>38</sup> Some \$3 million had been granted *directly* to the (private) Catholic University and \$3.3 million *directly* to the (state) University of Chile.<sup>39</sup> In addition, there was a \$10 million ‘convenio’ or collaboration between the University of California and the University of Chile, principally in the ‘hard’ sciences and engineering.<sup>40</sup> Bell conceded that Ford had granted no funds to the “Communist-led State Technical University” despite its having twice

---

<sup>38</sup> Bell, 20.

<sup>39</sup> Bell, 6.

<sup>40</sup> *University of Chile-University of California Cooperative Program Comprehensive Report 1965-1978*, July 1979; PA76-115, reel 3086; FFA.

the number of students as the private Catholic University.<sup>41</sup> Other Ford officials also acknowledged that the Foundation had created few, if any, fellowship opportunities for Marxist or communist scholars.<sup>42</sup> This is, of course, quite instructive of Ford intentions of building the basis of complementarity, under the guise of pluralism, of academic institutions and outlooks in Chile, specifically Santiago, which Bell refers to as “the Geneva of Latin America”, due to the concentration of international organisations’ regional offices.<sup>43</sup>

Jeffrey Puryear, a senior Ford Foundation official, fully recognises the power of networks as a technology of (democratic) change in his book on Chile’s intellectual communities. His conclusion is especially noteworthy, particularly from the perspective of the central argument about network power – as an end in itself and as the means of attaining ends otherwise not publicly stated by American philanthropy. Puryear suggests funding bodies establish “*networks even when their precise impact cannot be determined in advance*” (emphasis added). Such networks – composed of well trained scholars, “institutions, standards, colleagues, debate, and international contacts” were “a stock of high-level human resources” for the time when “democracy returned”. “Sustained investment in creating a stock of talented social scientists can qualitatively change a country’s political culture and its political technocracy.”<sup>44</sup>

### *Globalisation and Global Civil Society*

The historical experience of the Big 3 foundations of building national and international networks finds its contemporary expression in the hectic bid to create a global order that *suits, extends and defends* globalising capitalism.<sup>45</sup> As Thomas Friedman argues, the world today is characterised by “integration and webs” as well as an unequal distribution of benefits. Effective globalisation requires global institutional architecture as well as supportive global civil society, for the same reasons that an industrialising and ‘nationalising’ America 100 years ago required a national civil society – a series of densely networked publics composed of strategic minorities –

---

<sup>41</sup> Bell, 6.

<sup>42</sup> Carl B. Spaeth and John Howard, *Spaeth/Howard report on Latin American Studies*, June 1964; report 001556; p.7; FFA

<sup>43</sup> Bell, 4.

<sup>44</sup> Puryear, 170-171.

<sup>45</sup> T. Friedman, *Longitudes and Attitudes* (London: Penguin, 2003), 5.

to provide its social base. The Big 3 foundations, among other newer American foundations, are at the very heart of these developments today. They are actively supporting existing international organisations and promoting new organisations more suited to global conditions. The overall strategy remains unchanged, even as programmes and personnel change: Americanised or American-led globalisation remains the aim. It is also clear, however, that American foundations are not alone in this venture, though they remain the most significant.

American philanthropy tops the world league, although foundations are now a feature of practically every continent. Since 1987, the number of foundations in the U.S. has grown from 28,000 to about 50,000. The new foundations hold some of the enormous growth in wealth in the 1990s. Their assets expanded from \$115 billion in 1987 to over \$300 billion, and their international giving topped \$3 billion in 2002. Record increases in international giving were recorded from the mid-1990s, due to the rise of new fortunes, especially Bill Gates's Microsoft Corporation, as witnessed by the formation of the Bill and Melinda Gates Foundation.<sup>46</sup> The terrorist attacks of September 11 2001, however, dealt a temporary blow to the trend, although they focused greater attention among foundations on the global sources of domestic problems.<sup>47</sup>

Increasingly, European, Japanese and Australian foundations are engaging in international activities. There are over 60,000 foundations currently operating in the "old 15" EU states. In Italy, of the over 3000 foundations surveyed by the European Foundation Centre (EFC), half were founded after 1999. Over 40% of German foundations were set up in the decade up to 2004. Their combined assets total over £100 billion, with the Wellcome Trust topping the league with assets of £10 billion. Increasingly, European foundations are engaging in cross-border and global activities, with 30% already doing so and 68% expressing an interest in doing so in the future. Further legal reforms to simplify and incentivise international philanthropy is the subject of reform campaigns backed by the major foundation networks. The EFC's Europe in The World initiative – to project European philanthropic and political-cultural influence onto a global stage

---

<sup>46</sup> With Warren Buffet's donations to the Gates Foundation, the latter annually grants around \$3 billion; Maureen Baehr, "New philanthropy has arrived – so what?" in S.U. Raymond and M.B. Martin, eds., *Mapping the New World of American Philanthropy* (Hoboken: John Wiley and Sons, 2007), 82.

<sup>47</sup> "... it is evident that terrorists draw much of their support and justification from those who are, or *perceive themselves* as, unjustly impoverished..." So wrote the president of the Rockefeller Foundation in 2002. The current global financial crisis has also depleted foundations' income.

– is driving increased linkages between European foundations and international organisations (Organisation for Economic Cooperation and Development, UN Development Program), corporations, and an array of global networks such as Transatlantic Community Foundation Network and Network of European Foundations for Innovative Cooperation. The world is dense with foundations, foundation networks, and networks of networks.<sup>48</sup>

In the era of America's *rise* to globalism, the foundations constructed and promoted, at home and abroad, *liberal-internationalist* versions of Americanism. In the era of *globalisation*, they promote a “transnationalised” Americanism, including through supporting and collaborating with European and other world-regional corporate philanthropies, that backs the neo-liberal project but seeks to blunt its harsher edges.<sup>49</sup> The foundations today are *replicating* their historical strategies at home and abroad; they seek to protect the existing system of power by engaging in activities to ameliorate the negative consequences of that very system of which they are a central component and beneficiaries.<sup>50</sup> As a “Break-out session [on] Globalization” at a meeting of the International Network for Strategic Philanthropy (INSP) concluded, “foundations portfolios have benefited from globalization.”<sup>51</sup> At the beginning of the twentieth-century, the foundations targetted the alleviation of domestic poverty and the slum – brought on by urbanisation and capitalist industrialisation; today they focus on the world-wide social fallout of neo-liberal globalisation.<sup>52</sup>

The IMF and the World Bank are widely considered, along with the US Treasury, to be the motors of neoliberal globalisation.<sup>53</sup> Founded at Bretton Woods in 1944-45 with full support from the Rockefeller/Carnegie foundations, they continue to garner sustenance from east coast

---

<sup>48</sup> James M. Scott and Kelly J. Walters, ‘Supporting the Wave: Western Political Foundations and the Promotion of a Global Democratic Society’, *Global Society*, Vol.14, No.2 (2000), 256.

<sup>49</sup> R.F. Arnove and N. Pinede, “Revisiting the ‘Big Three’ Foundations,” n.d. (unpublished paper in possession of author).

<sup>50</sup> H.K. Anheier and S. Daly, “Philanthropic Foundations: A New Global Force?” in *Global Civil Society 2004/5* (London: Sage, 2005), 169, argue that foundations hold “substantial investments in the global capital market ... [which is] considered responsible for many of the social and economic imbalances that global civil society seeks to address”.

<sup>51</sup> “Break-out session Globalization”, INSP Plenary Meeting,” March 22, 2002.

<sup>52</sup> James D. Wolfensohn, *Development and Poverty Reduction* (Washington, DC: International Bank for Reconstruction and Development/World Bank, 2004).

<sup>53</sup> Joseph Stiglitz, *Globalization and its Discontents* (London: Penguin, 2002).



philanthropy. As is shown below, the World Bank has received grants from the Ford Foundation, while David Rockefeller has been a consistent IMF stalwart.<sup>54</sup>

As was historically the case when American foundations often carried out programmes that the state would not or could not, it is also the case today – with the dramatic loss of state legitimacy associated with Reaganomics and Thatcherism - that non-state actors are scurrying to perform key functions. Offsetting the fallout of increasing gaps between rich and poor has become a key foundation task, especially by backing “pivotal institutions that can shape behaviour away from risk factors and *dangerous directions* [i.e., anti-Americanism and anti-globalisation protests],” according to the Carnegie Corporation.<sup>55</sup> Part of the solution is seen to lie in “promoting democracy, market reform and the creation of civil institutions...”<sup>56</sup>, that is, in the neo-liberal project itself. Carnegie actively promoted, during the 1990s, “Partnerships for Global Development”, headed by prestigious academics and politicians, that promoted liberalisation of markets as a core concern.<sup>57</sup> Contrary to Peet et al, neo-liberal globalisation’s foundation-backers do not see a wide gulf between neo-liberalism and its critics: by their social amelioration policies, they hope/claim to promote the market *and* social justice.<sup>58</sup>

The Rockefeller Foundation declared in 1985 that social inequality reduction lay at the heart of its economic developmental concerns. In 1999, the incoming president of RF, former vice-chancellor of the University of Sussex, Gordon Conway, stressed that the foundation had two priorities: “first, to understand the processes of change spurred by globalization and second, to find ways that the poor and excluded will not be left out.” Inherent in foundations’ attitudes is the taken-for-granted neo-liberal character of globalisation.<sup>59</sup> Therefore, it is unsurprising that the third of what some may call an “unholy trinity”, the Ford Foundation, granted the Hudson Institute, a conservative think tank, \$150,000 to assist “economists and officials of Estonia, Latvia, and Lithuania [to] develop plans to transform their economies and integrate them into the

---

<sup>54</sup> Stiglitz 2002; Stephen Gill, *Power and Resistance in the New World Order* (Basingstoke: Palgrave, 2003).

<sup>55</sup> David Hamburg, CC president (1983-1997), cited by Arnove and Pinede, 10; emphasis added.

<sup>56</sup> Arnove and Pinede, 13.

<sup>57</sup> Carnegie Commission on Science, Technology, and Government, *Partnerships for Global Development* (December, 1992); at <http://www.ccstg.org/pdfs/GlobalDevelopment1292.pdf>; accessed 1 May 2010).

<sup>58</sup> Richard Peet, *Unholy Trinity. The IMF, World Bank and WTO* (London: Zed Books, 2003), 14.

<sup>59</sup> Arnove and Pinede, 19. That there are alternatives – based on fair trade, as opposed to free trade, etc..., see Peet 2003 et al.

world economy.”<sup>60</sup> To examine the consequences of market reforms, Rockefeller administered a project, at a cost of \$150,000, toward “an exploration on trade liberalization and its impacts on poor farmers.”<sup>61</sup>

American foundations support the key engines of globalisation. For example, Ford awarded a grant of \$400,000 to the World Bank to fund the latter’s “Consultative Group to Assist the Poorest to develop the capacity of microfinance institutions and improve member donor practices in supporting microfinance.”<sup>62</sup> Microfinance is a strategy for lifting into the marketplace those too poor to get loans from mainstream commercial banks. The Ford Foundation claims some credit for the development of micro-credit in Bangladesh, the forerunner of the Grameen banking system. Critics argue that Grameen has hardly dented poverty, increased poor family indebtedness, and played into the hands of corporate investors.<sup>63</sup> In 1999, RF granted \$800,000 to the World Bank’s Economic Development Institute for economic growth acceleration strategies.<sup>64</sup> Further Ford grants were made in 2003 to institutions that try to build interconnections between large Western corporations and small enterprises in the Third World.<sup>65</sup> During the 1990s, the head of the Rockefeller family – David Rockefeller – offered unconditional support for the IMF’s global programmes, without which the world would return to the economic crises of the 1930s and the threat of global economic and military conflicts.<sup>66</sup> A grant of \$250,000 aimed to finance “strategic workshops and meetings among Asian government officials, academics and civil society groups on the governance of the World Trade Organisation”, indicative of historic US foundations’ role in supplementing decreasing state

---

<sup>60</sup> Arnove and Pinede, 29.

<sup>61</sup> Rockefeller Global Inclusion Programme, October 2003; [www.Rockfound.org](http://www.Rockfound.org). Such small funds are envisaged and act as force multipliers as they are targeted and designed to attract wider funding from other sources; hence, their impact is normally far greater the amounts would suggest, especially when governments become involved at a later stage.

<sup>62</sup> Ford Foundation website at [www.Fordfound.org](http://www.Fordfound.org); grant awarded in 2003.

<sup>63</sup> S. Sharma, “Micro-credit: Globalisation unlimited,” The Hindu Business Line, 5 March 2002; at <http://www.thehindubusinessline.com/2002/01/05/stories/2002010500111200.htm> (accessed 5 May 2010). Grameen Bank interest rates were also far higher than commercial rates, at around 20%, another point of criticism.

<sup>64</sup> Arnove and Pinede, 22.

<sup>65</sup> The Prince of Wales International Business Leaders Forum received \$100,000 to “build, study and promote mutually advantageous business links between large corporations and small or microenterprises worldwide;” [www.Fordfound.org](http://www.Fordfound.org).

<sup>66</sup> Rockefeller 1998.

levels of funding for international organisations, and the neo-liberal era penchant for governance/rule of law aid programmes.<sup>67</sup>

American foundations are globalising forces in their own right too,<sup>68</sup> consciously strengthening global knowledge networks between universities, think tanks, government agencies, and philanthropies.<sup>69</sup> The International Network for Strategic Philanthropy (INSP) – set up by the German Bertelsmann Foundation – with US foundations’ support – encourages the global spread of philanthropy. The (American) Philanthropy Initiative, Inc., aims to ensure the “strategic and systematic investment of private philanthropic resources to address complex, interconnected manifestations of chronic underdevelopment”. RF has backed several initiatives to train a new generation of global givers. Similar programmes are run by the Ford, Hewlett, Kellogg and Charles Stewart Mott Foundations. Even philanthropy-strengthening groups have access to a network of support groups such as the Council on Foundations and the European Foundation Center. Global givers are further networked with regional and national philanthropies, such as the Asia Pacific Philanthropy Consortium, and to international networks and associations, such as the World Economic Forum which, in turn, has its own global social investors programme.<sup>70</sup>

In that context, the grants information that follows is the tip of a very large iceberg. The Ford Foundation granted \$400,000 to the Academy for the Development of Philanthropy in Poland (ADPP) – which grew out of a USAID project - in order to strengthen foundations locally. A Ford grant of \$220,000 supports efforts to link-up Polish and Belarusian NGOs. Relatedly, Ford awarded \$500,000 to the Brazilian Association of NGOs to help organise the World Social Forum (WSF), a body developing “alternatives to current patterns of globalization.”<sup>71</sup>

---

<sup>67</sup> [WWW.Fordfound.org](http://WWW.Fordfound.org); granted in 2003 to the Third World Network Berhad, Malaysia.

<sup>68</sup> See for example the report of the Foundations of Globalisation International Conference, University of Manchester, November 2003; [www.les.man.ac.uk/government/events/foundations\\_finalreport.pdf](http://www.les.man.ac.uk/government/events/foundations_finalreport.pdf)

<sup>69</sup> Ford granted \$350,000 to Yale University in 2003 to fund “the research practice and outreach activities of the Center for Cities and Globalization and to strengthen an interdisciplinary network on globalization.”

<sup>70</sup> The Philanthropic Initiative, Inc., *Global Social Investing* (Boston: TPI, Inc., 2001), 4-5; 37-42. Britain’s “Big Society” programmes of the past several years represent a very similar approach at a time of deep cuts in government spending.

<sup>71</sup> All three grants in 2003; Ford website; TPI, 20.

The Ford Foundation is an enthusiastic though controversial supporter of the World Social Forum (WSF). Indeed, private corporate and philanthropic funders are the second largest donors to the WSF, acting as a brake on WSF's critique of capitalist globalisation. FF has invested well over \$1,000,000 directly in WSF to help it organise events and globally to disseminate its message.<sup>72</sup> At its third annual meeting, WSF attracted 100,000 delegates from 156 countries – feminists, trades unionists, and so on. According to Michael Edwards, director of the Ford Foundation's Governance and Civil Society unit, WSF changed the "terms of the debate about globalization.... There's [now] an inescapable public debate about the role of corporations and the distribution of globalization's benefits.... largely due to the W.S.F. crew."<sup>73</sup> WSF, with the FF's and others' sponsorship, promotes critiques of some of the "negative side effects of market liberalization: growing economic disparity, the privatization of health care and environmental degradation." The ultimate aim, according to Ford's Edwards, is a "global civil society" the influence of which would bear comparison to the impact of the Bretton Woods system formed in World War II.<sup>74</sup> WSF aims to construct "an alternative development model and to construct a new form of globalization".<sup>75</sup> A Carnegie Corporation grant of \$25,000 assists "dialogue on globalization between representatives of the World Economic Forum and the World Social Forum."<sup>76</sup> A Ford grant to the London School of Economics of \$500,000 aims to help scholars explore "the depth of global governance and its accountability to a polity," another reformist measure promoted by all three major US foundations.<sup>77</sup>

The WSF, however, is the subject of much criticism. For example, MumbaiResistance, argues that WSF is funded by western agencies "to mitigate the disastrous projects of development cooperation and structural adjustment programmes" they have themselves organised.<sup>78</sup> They claim WSF's sponsors have co-opted anti-globalisation forces and channelled them away from "direct and militant confrontation... into discussions and debates that are often sterile, and

---

<sup>72</sup> Ford gave \$153,000 to Internews Interactive, Inc., as part of its "Bridge Initiative on Globalization," to assist the WSF to communicate with the World Economic Forum.

<sup>73</sup> Suzanne Charle, "Another Way. Leaders of a global civil society chart an alternative to globalization," *Ford Foundation Report*, Spring 2003.

<sup>74</sup> Charle 2003. Edwards, (2004, 14), argues "humanizing capitalism" is the WSF's principal role.

<sup>75</sup> Jose Gabriel Lopez, "Green Globalization," *Ford Foundation Report*, Summer 2003.

<sup>76</sup> *CC Grants for Globalization Initiatives*; CC website.

<sup>77</sup> Grant to the LSE Foundation, 2003; Ford website.

<sup>78</sup> <http://www.ilps-news.com/central-info-bureau/events/mumbai-resistance-2004/why-mumbai-resistance-2004/> (accesses 6 May 2010)..

mostly unfocused and aimless.” Some participants at WSF meetings complain that they are expected mostly to “listen” to WSF leaders rather than to participate; the aim was “putting a human face on globalization.” The World Bank refers to the WSF as “a maturing social movement” and the Bank’s officials have been granted observer status at WSF meetings. WSF’s supporters included Brazil’s President Lula, head of the Workers’ Party and proponent of IMF policies and US free trade agreements, and opponent of peasants’ land struggles. WSF is, ultimately, a “safety valve” trying to blunt the harsher edges of capitalist globalisation.<sup>79</sup> The 2004 organisers of WSF meetings, in Mumbai, India, refused Ford’s donations because of Ford’s role in India’s Green Revolution which created and exacerbated the problems of poor farmers.<sup>80</sup>

WSF meetings in Nairobi, Kenya, in 2007, attracted similar criticism from African organisations. According to one source, the meetings were dominated by mainly “white North[ern]” NGOs while Southern voices were under-represented. The meetings were also sponsored by large corporations with exclusive rights at WSF. Indeed, WSF meetings had the feel of a “trade fair”, while poor attendees were forced to take direct action merely to gain entrance to meetings. The atmosphere was decidedly apolitical and there was little in the proceedings to suggest that politics is principally about struggles between “the haves and the have-nots,” which, after all, was the point of the WSF.<sup>81</sup>

A recent academic study of the Nairobi WSF concludes that WSF operates less like the leading force behind a counter-hegemonic project opposed to neo-liberalism, and more like a source of entertainment – a “court jester” rather than a “postmodern” prince. In developing ever closer links with organisations at the very heart of neoliberal globalisation, WSF has been co-opted by the very forces it was established to displace.<sup>82</sup> Gramscians argue that the major states, global

---

<sup>79</sup> MumbaiResistance Against Imperialist Globalization and War; [www.mumbaioresistance.org](http://www.mumbaioresistance.org).

<sup>80</sup> The Guardian.co.uk, 17 January 2004; L. Jordan, “The Ford Foundation and the WSF,” 15 January 2004 in openDemocracy at [www.opendemocracy.net](http://www.opendemocracy.net); both sites accessed 3 April 2009. The WSF did accept Ford-funded delegates. WSF is also run by a co-opted, rather than elected, organizing committee; see M. Morgan, “Overcoming the Imperial Subject: The WSF and Counter Hegemonic Strategies for a Post-Political Age,” paper presented at IR conference at METU, Ankara, 18-20 June 2008.

<sup>81</sup> Firoze Manji, “World Social Forum: just another NGO fair?” *Pambuzka News*, 26 January 2007, issue 288; at <http://www.pambuzka.org/en/category/features/39464>; accessed 22 April 2010.

<sup>82</sup> Owen Worth and Karen Buckley, “The World Social Forum: postmodern prince or court jester?” *Third World Quarterly* 30, 4, 2009; 649-661. Worth and Buckley show that high proportions of WSF participants and leaders

corporations and philanthropies and other forces are a “a nascent historic bloc” that develop policy and “propagate the ideology of globalization”, even within organisations that are promoted as alternatives to it.<sup>83</sup>

## CONCLUSION

American corporate ideology springs generally from the ‘interests’ of corporate capitalism but is the specific product of organic intellectuals in organised knowledge structures whose role it is to interpret trends and develop specific strategies to strengthen the existing order by managing change and to enhance the state’s ability to lead the world . In the period since the end of the 19<sup>th</sup> century, the role of complex ideological-knowledge networks has developed in quantum leaps via the development of the modern university, think tanks and corporate philanthropic foundations which, though formally private, play fundamental roles within increasingly articulated state-private networks.

In the United States, corporate ideology is almost symbiotically connected with the core concept of ‘Americanism’ although calibrated to the specific political economy of the time. The core, governing state-corporate ideology is fostered, constructed and disseminated via knowledge networks organised, funded and promoted by corporate philanthropy such as Carnegie, Rockefeller, Ford foundations and, currently, the Bill and Melinda Gates Foundation.

The argument of this chapter is that state-corporate ideology reflects, constructs and coheres the broader American social, economic and political order by variously developing ‘statist’ and/or ‘market-led’ concepts according to the particular requirements of the American political economy, and that state-connected corporate foundations are at the forefront of this ideological process. The major foundations over the past century have changed from statist development strategies to market-led neo-liberal strategies as exemplified by the programmes of the Big 3 and the Gates Foundation today. The results, for the broad range of people at whom these programmes are targeted, as ever continue to be negative and even devastating. Yet, the image of

---

have postgraduate qualifications and daily internet access, in contrast to the masses of the poor and excluded they claim to be representing; p.654.

<sup>83</sup> R. Cox, “Civil society at the turn of the millennium”, *Review of International Studies* 25 1999; 11-12.

gates and other large corporate philanthropies remains untainted and almost beyond challenge in mainstream discourse. It is patently clear that the major corporate foundations are even more central to dominant ideological thinking and practice than during the 'statist' post-1945 era.