

United States: NGOism Serves the Status Quo

Saturday 5 November 2022, by [BROOKS Cale](#), [FONG Benjamin Y.](#), [NASCHEK Melissa](#), [PAN J. C.](#) (Date first published: 14 June 2021).

Tasked with carrying out what ought to be state functions, but dependent on private interests, NGOs will never challenge the basic structures of capitalism.

Benjamin Y. Fong and Melissa Naschek joined [The Jacobin Show](#), our weekly YouTube broadcast, to discuss their recent article for the spring issue of *Catalyst*. In “[NGOism: The Politics of the Third Sector](#),” they describe the structural binds requiring nonprofits to adopt the language of public well-being without adopting the politics of social transformation.

Fong and Naschek argue that the NGOs have come to fill the political void where strong labor unions or other mass-membership organizations used to be. Given the structural incentives to which nonprofits are subject, their mode of addressing social problems systematically avoids taking on the profit motive and, as a result, bears certain consistent features that the authors refer to as NGOism.

By bringing together community elites as “stakeholders” to technocratically manage social problems away, nonprofits reinforce social and economic hierarchies through their methods of civic engagement, and avoid the type of class conflict we need to win real political change.

Benjamin Y. Fong is a professor at Arizona State University and Melissa Naschek is a political organizer and writer in Philadelphia. They were interviewed by *Jacobin*’s Cale Brooks and Jen Pan.

J. C. PAN | At the simplest level what is a nonprofit and how important is the sector right now?

MELISSA NASCHEK | A typical for-profit corporation is expected to take an investment, make a product, earn a profit, and persist by reinvesting their own profits. In contrast, nonprofits typically provide social goods that do not generate a profit, and so they are reliant on continuously receiving injections of external funding. Most commonly, this is because they’re fulfilling a social need that is inherently unprofitable, and thus corporations are not interested in providing it.

Nonprofits persist on a funding structure that depends on a combination of philanthropic donations from the middle class and the wealthy; from government funding; and, increasingly under neoliberalism, from market-like mechanisms that mimic what for-profit corporations do in selling a good.

BENJAMIN Y. FONG | In our article, we offer data that illustrates the huge growth in nonprofit and foundation assets, as well as the proliferation of third-sector entities more generally. It’s a huge part of the economy. It accounts for 5 to 6 percent of GDP and employs about 10 percent of the American workforce.

CALE BROOKS | What are the historic factors that led to the rise of the nonprofit sector?

BENJAMIN Y. FONG | The story we tell in the article fits into the story of the decline of working-

class associational capacity, beginning around the '60s. Today, the workforce is pretty poorly unionized. Union density is at 11 percent, and that's buoyed by public sector unionization. Not so long ago, a third of the American workforce was unionized, and those unions used to be major forces in fighting inequality and fighting for social justice.

Not to be forgotten are the large mass-membership organizations, like the American Legion, the Freemasons, and the Elks. These organizations were far from progressive, but they were actual membership organizations; they were responsive to the will of their members, and they influenced our politics. Around the beginning of the 1960s, these organizations declined in size, but more importantly, they declined in power. Nonprofits stepped into that space, and with dire consequences for our politics.

The advocacy nonprofits that have taken the place of the old associations are markedly more oligarchical and top-down. They tend to be dominated by professional-class staffers, who only interact with their memberships through a mailing list. Members don't drive these organizations through democratic debate; they're much more staff- and funder-driven.

CALE BROOKS | But we shouldn't say the rise of NGOs and these professionals helped *cause* the decline of the Left or labor movement, right? The labor movement collapsed for other reasons, and the nonprofits swooped in as capitalism was transforming. Is that fair?

BENJAMIN Y. FONG | Yes, NGOs and the "professional-managerial class [PMC]" are a huge obstacle to left-wing politics today; they have a grip over the state and the media. But it's also possible to overemphasize their role, as if our current problems are just a matter of the dominance of professional-class interest.

It's important to emphasize the structure of nonprofits instead of the particular people running them. If you're a staffer at a nonprofit, only interacting with your supposed "membership" through mass mailers, responsible mostly to your boss and your organization's funders, you're going to be insulated in a professional-class bubble from everyday concerns.

Staffers in mass-membership organizations, by contrast, might be from the middle or upper classes, but if they are responsive to the will of the memberships they serve, even if they bring their own set of biases and interests to the organization, they will be forced to represent interests that are not their own. That is a dynamic we ought in general to encourage.

J. C. PAN | **Why is it that the nonprofit approach to solving social problems can never sufficiently challenge capital?**

MELISSA NASCHEK | As we dug more into the funding of NGOs, we were surprised to realize that the government is the biggest single funder of nonprofit activity. Historically, the number of NGOs exploded in size as the postwar growth period was ending, and as the social welfare state in America started to devolve and become more privatized.

This heavy reliance on state funding comes with a number of different constraints. First of all, it makes NGOs susceptible to the same forces tearing down the social welfare state under neoliberalism. NGOs must compete for increasingly scarce social welfare funds, forcing them to compete with one another in order to secure government funding that is crucial for their survival.

In turn, government funding typically constrains nonprofit activity to the provision of social welfare services. If organizations decide to engage in political activity, they have to turn to private sources. That funding can come from a number of sources, including aggregated individual donations, large

general-purpose foundations, or corporations.

Ultimately, this means that NGOs' ability to pursue a political agenda is dependent on generating revenue from the private sector. Further, the largest and most reliable sources of private funding come from the wealthiest people in society — those who don't want anything to happen that will threaten their ability to accumulate profit. This leaves nonprofits trapped in an inescapable contradiction: politically they are beholden to the very class that is hoarding the resources necessary to expand social spending.

BENJAMIN Y. FONG | In brief, the nonprofit sector carries out the functions that the government ought to provide, but with less funding, and in such a way that nonprofits are forced to be entrepreneurial — which is to say, dependent upon private interests. They execute what *ought* to be a government function, but in such a way that private interests can dictate the terms.

MELISSA NASCHEK | In this sense, the '60s were a pivotal decade because they opened the flood gates to funding private institutions rather than public ones. This tendency has only become more pronounced under neoliberalism because it is compatible with both liberal and conservative ideas about the welfare state — particularly conservatives' concerns that the federal government's universal standards are not sensitive to the local conditions that generate actually existing poverty, creating people who are dependent on the welfare state.

BENJAMIN Y. FONG | And at this point, it's beyond just an agenda. On both sides of the aisle, there are material interests at work. A lot of private and public-private hybrid organizations want to get their beaks wet on any government spending. The government is like a dying, suffering animal covered in parasites sucking away any life.

Today, the state is spending more money, and sure, it's nice to see a turn away from austerity. But without fixing that structural problem, without taking on the private interests that leech on the state, we won't see the emergence of New Deal-style programs.

J. C. PAN | **How do these structural constraints produce the phenomenon that you call NGOism, and how does that spread to the rest of the Left?**

BENJAMIN Y. FONG | In the article, we lay out three features of NGOism: it's technocratic, it's service oriented, and it is focused on the "community." We get those features from the structural constraints that we just talked about. Given these constraints, nonprofits are incentivized to come up with modes of solving social problems that systematically avoid taking on the profit motive. In terms of their immediate self-interest, this makes sense for a lot of nonprofits. If you're running a nonprofit hospital, it doesn't make sense to piss off your funders by engaging in political advocacy that might make them mad.

But we're concerned that the genie has escaped the bottle. This mode of solving social problems without taking on the profit motive is seen as common sense by a lot of people who aren't even involved in the NGO world. To some extent, that's not so surprising. The current generation of young activists grew up in a world that was carefully curated by foundations and nonprofits. These foundations funded the work of college professors, they trained campus advocacy organizations, and they wrote our textbooks in school. With this widespread conditioning, it's natural that activists would come to political spaces with a desire for technocratic do-goodery, to avoid debate, and to focus on the "community."

None of that is especially surprising given the generational shift. People who at one point would have joined the Communist Party are volunteering for nonprofits today. This creates a cultural

common sense that is very pernicious within the Left.

J. C. PAN | You point out in your piece that if you go to any nonprofit website, within ten seconds of scanning, you'll find some invocation of community. What's with the nonprofit fixation on community and, perhaps more importantly, what does it obfuscate?

MELISSA NASCHEK | The “community” is an ideological term that nobody can consistently define. In fact, going back to the War on Poverty, social actors have used clearly divergent explanations for what a “community” project even is. This ambiguity enables actors to carefully select their political terrains while pretending that, because they just happened upon X community with Y need, their solutions are organic.

BENJAMIN Y. FONG | If you asked today's activists why we use the word “community” so much, many of them would point to the community control programs of the late '60s as something that the Left ought to emulate. There are two problems with this. First, these community control programs were co-opted by foundations in ways that were inimical to the aims of the people they were purporting to help. Here, I recommend Karen Ferguson's *Top Down* for that history. But second, the actual history of “community” organizations since then is very straightforwardly an elite history.

MELISSA NASCHEK | Community coalitions are groups of leaders who come together and hash things out: “My people want this, your people want this; let's come to a compromise and decide what the community as a whole wants.”

Some of the largest nonprofits around are community development corporations. These organizations are embedded all over the country. They essentially function to get for-profit developers and community leaders in the same room to hash out social issues. The problem is that the people who get represented in those organizations, which have the sheen and the authenticity of the word “community,” are the elites — not the people in the actual geographical areas that they supposedly represent.

BENJAMIN Y. FONG | The short of it is that community serves as a substitute for class. Eric Hobsbawm called community one of those vapid phrases of lost and drifting generations. We hold on to community so much because it's not there; we're highly atomized, and so for understandable reasons we want a community. The problem is that capitalism is good at recuperating languages that we like — languages of humanism.

J. C. PAN | Is there an effective way for the Left to work with nonprofits?

MELISSA NASCHEK | Whatever your opinion of nonprofits is, it is impossible to avoid engaging with nonprofits in some form. It's important to keep in mind that the structural constraints of nonprofits are ultimately derived from their funding structure. There are nonprofits that are not funded by elite institutions, and those are the ones that the Left should prioritize working with and through.

DSA is an interesting example of this. It's a 501c4, it's a nonprofit, but it's funded by membership dues. This means that even though it's still a nonprofit, it's ultimately controlled by its members. It is controlled by the people who volunteer for the organization. The more we can seek out nonprofit organizations like that, the more successful the Left will be at avoiding the dynamics that conflict with nonprofits' ability to confront the profit motive. There's still the problem of the actual class composition of an organization like DSA, but that's a different issue.

BENJAMIN Y. FONG | The coalition around National Nurses United [NNU] that's fighting for

Medicare for All is a good example of a productive relationship with nonprofits. NNU convenes the table around which a lot of different organizations exist, including the Labor Campaign for Single Payer. There are a lot of nonprofits there, like the Center for Popular Democracy. So there might be productive avenues of nonprofit and union collaboration, provided that unions are in charge.

That being said, there is a tendency to channel a lot of the activism into traditional nonprofit methods: prioritizing insider lobbying and media campaigns, engaging in less confrontational tactics. Any time you're dealing with nonprofits, they'll want to domesticate and channel dissent into avenues that they deem to be "productive."

CALE BROOKS | Is the social justice language, the community talk, and the localism a problem for bringing new people into the room with us, particularly working-class people?

MELISSA NASCHEK | Yes and no. Some NGO language is alienating and confusing. Nonprofits often come up with terms and then expect everyone to know them. Sometimes it's for more boring, technical reasons; the way that NGOs want to talk about politics and society is highly specialized and technical. Mark Dowie calls this "foundationese." But a lot of it assumes the language of common sense. That's even more dangerous.

An example of this is NGOs' common emphasis on "listening to the people" or on "citizen engagement." Who would be against citizen engagement? But these terms are taken and put through routinized processes that are not only alienating, but also designed to disempower people.

Citizen engagement in the nonprofit world often means having some kind of public forum where the speakers are carefully curated to represent specific, "correct" opinions. The events are open to the public, and citizens are considered engaged because they sit there and listen to people tell them what to think. Nothing about it is genuinely engaging.

BENJAMIN Y. FONG | The common features of PMC language that we all love to ridicule can be alienating. But if anything, there has been systematic investment in developing public forum strategies that are noncontentious, friendly, and inviting, and that can be quite pleasant for people.

The Ford Foundation was the first to explicitly theorize political conflict as a premodern impulse that needs to be done away with. The Kettering Foundation and the Pew Foundation have invested a lot in the so-called civic renewal movement, which is specifically about developing strategies and tactics for putting on a public forum that leads to consensus instead of debate. They take the results of those meetings and package them nicely for city council representatives. The whole point is to get rid of any kind of debate or conflict.

In these kinds of spaces, people are very friendly. Nonprofit workers are super friendly at first; they're inviting, and they're very conscious about being "nice." They don't want anything to get too heated, or for debate to get out of control. The problem is not that this makes political spaces uninviting, but that it makes them ultimately unproductive and silencing of participants.

J. C. PAN | What are some practical solutions? Should every leftist who's working for a nonprofit just quit and join a union?

BENJAMIN Y. FONG | We don't want to make it seem like this is *the* main problem for the Left. Our main enemies are still the capitalist class and corporations.

But it wasn't long ago that people were more clear on the dangers of the third sector. In 1916, Rockefeller petitioned Congress to charter the foundation, and they wouldn't do it. Rockefeller actually had to go to New York to charter the foundation at first. That should give you some sense of

just how odious the Rockefeller name was. Imagine Bill Gates going to Congress to charter his foundation, and Congress saying, "I'm sorry; you're a vile person, and we want nothing to do with you." There has been a sea change in how we treat these things.

You might say, "That was 1916. That was a long time ago." But as late as the 1950s, there were Congressional hearings about the overreach of foundations that were supported on both sides of the aisle. Reading the transcriptions of these hearings, which unfortunately didn't go anywhere, you'll see that they're just as brutal. They saw foundations as a real threat to American democracy.

Then, beginning in the 1950s and '60s, as foundation funders and activists became more cozy with one another, that kind of critique was lost. We aren't as critical of the foundations as we ought to be. Part of it is being clear about what this sector is and the ways in which it is undermining left politics.

MELISSA NASCHEK | The growth of the NGO sector is a symptom of neoliberalization and the changes in our social welfare state. Those changes are not just things that affect the structure of the state and the delivery of social goods. Under capitalism, there is such a vast accumulation of wealth that people have billions of dollars to invest in social initiatives that allow them to control what society looks like and how it disperses and distributes as its goods, a degree away from their capitalist firm. This story is another piece of why we need a mass movement, why we need a strong state, and why we need publicly owned and worker-controlled institutions.

BENJAMIN Y. FONG | And why we need class conflict. There will always be forces of compromise out there; the Left should be about class conflict. The domestication of dissent that NGOs encourage will always lead in a different direction, which is the reaffirmation of the status quo.

Benjamin Y. Fong is an Arizona-based writer and activist.

Melissa Naschek is a member of the Democratic Socialists of America.

J. C. Pan is a cohost of the Jacobin Show and has written for the New Republic, Dissent, the Nation, and other publications.

Cale Brooks is Jacobin's video editor.

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