

Charities in Britain are Struggling to Cover the Failures of the State

News:

Around half of the 170,000 registered charities in England and Wales provide some form of direct support to people (the other half either work abroad or in research, grant-giving or other areas). Between them they have around 1 million employees, and in 2019-20 they had a total income of £58.7bn, £30bn of which came from donations.

Every day, caseworkers encounter people struggling to meet basic needs, including parents reheating formula milk rather than pouring it away. This is the painful frontline of a cost of living crisis that is now threatening charities as well as the communities they serve.

Growing needs combined with rising costs mean some charities have never been more tightly squeezed. With local councils desperately short of money, there is no chance of public sector contracts being uprated in line with inflation, nor will shortfalls be made up by fundraising. A survey by the Charities Aid Foundation found that the number of people giving fell by 4.9 million in 2021 compared with two years earlier.

As in the pandemic, one consequence is that more resources are being redirected towards emergency support and away from long-term and preventive work. But the reason why the current situation is so serious is that charities and their staff were already under severe pressure due to Covid 19 and years of austerity before that. Already, some charities are digging into reserves to fund operating costs.

In providing necessities such as food, as a growing number are now doing, charities are stepping into shoes once understood to belong to the state. Philanthropic activity is being pushed away from the government and back to its roots in locally based voluntarism – much as David Cameron envisioned when he advocated for a “big society” to fill spaces created by public sector cuts. The question is what happens if and when organisations that are helping people to survive day to day can no longer pay their bills. Last week, the government delayed an announcement on a new energy support package for charities and businesses, to replace the one that expires in March. Even hospices are warning that energy costs mean they may have to close beds.

Charities have nothing equivalent to the Confederation of British Industry (CBI) in terms of lobbying and influence. Currently, some Conservative MPs appear more inclined to attack than support them. Earlier this month a group of 40 bankbenchers wrote to the chancellor, Jeremy Hunt, calling for an end to the public funding of organisations that campaign against government policy. (Source: The Guardian)

Comment:

Islam prioritised the fundamental right of every citizen to adequate housing, clothing, and food, as the Prophet (saw) said: «لَيْسَ لَابْنِ آدَمَ حَقٌّ فِيمَا سِوَى هَذِهِ الْخِصَالِ: بَيْتٌ يَسْتُرُهُ، وَثَوْبٌ يُوَارِي عَوْرَتَهُ، وَجُلْفٌ الْخُبْزِ، وَالْمَاءُ» **“The Son of Adam has no better right than that he would have a house wherein he may live, a piece of clothing whereby he may hide his nakedness and a piece of bread and some water.”** [Tirmidhi]

Islam’s position on poverty is that it should not exist, insofar as it is defined by man’s inability to satisfy these basic necessities. The Western capitalist economic model does not prioritise eradicating poverty, as poverty is a relative matter and not absolute. The trickle-down theories which governments use to excuse themselves of real responsibility and accountability are demonstrably failing millions of citizens every day.

The Economic System in Islam book adopted by Hizb ut Tahrir identifies the Achilles heel of capitalists, that they “concentrate more on the production of wealth than on the distribution of wealth”. Capitalist economics “has one aim, which is to increase the country’s wealth as a whole”. However, the real economic problem is “the poverty of the individuals in society”, a problem that “is not treated by increasing national production but rather by the manner in which the wealth is distributed”. Despite the growth figures that the capitalists are so obsessed with, they do “not lead to an improvement of the welfare of all individuals nor guarantee basic welfare of every individual”, as “poor distribution of commodities and services will dominate every society that applies capitalism”.

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