Due to the fact that foundations and influential donors have gained access to more resources, international giving by private philanthropists and private organizations has substantially grown over the past few decades. In comparison with the corporate giving and individual donations, the other two major channels of international philanthropy, foundation grantmaking has been understudied. This study seeks to fill this gap with a closer investigation into U.S. foundations’ international giving. The findings show that international giving by U.S. foundations has produced an increasingly profound effect on global development, particularly from mega foundations such as the Gates Foundation and the Ford Foundation. However, the foundations who give internationally face challenges, including impact evaluation, global governance, and accountability. Future research and efforts are needed to address these challenges in international giving.

Keywords: International giving, foundation, U.S., philanthropy, charity
Introduction

In the past three decades, private philanthropy has played a vital role in global giving and has achieved phenomenal growth in the scope, volume, and impact (Schmid and Nissim, 2016). In 2012, U.S. private giving for international causes (including foundation funding, corporation giving, and individual donations) accounted for 6 percent of total private giving, a total that has risen from $8.4 billion in 2000 to $19.1 billion in 2012 (Global Impact, 2013). The growth of private giving for international causes demonstrates increasing philanthropic interests in giving outside the U.S.

International giving and philanthropy, or transboundary philanthropy, is the transfer of money, in-kind benefit, services, and volunteer time across countries and borders by individuals and institutions who support international causes outside of their countries of residence (Schmid and Nissim, 2016). In the field of global development, for which government funding is traditionally dominant, private giving surpassed that of U.S. Official Development Assistance (ODA), government aid designed to promote the economic development and welfare of developing countries (Global Impact, 2013; Hudson Institute, 2013). For example, of the total U.S. net economic engagement with developing countries in 2011 ($278.5 billion), ODA accounted for 11 percent, while private philanthropy represented 14 percent of the total amount (Hudson Institute, 2013) as shown in Table 1. Also, according to the annual report by U.S. Agency for International Development (USAID) (2015), US.-based international nonprofit organizations received $28.2 billion in the form of support and in revenue during 2013, of which the vast majority was derived from private support (77 percent) and of which a smaller portion was derived from USAID support (8 percent).

The growth of private interests in global giving is stimulated by the increasing complexity of global issues in the era of globalization (such as food security, climate change, water shortages, pandemic diseases and poverty) and is fueled by advancement in technologies and electronic communication (for example, online giving across borders) (Schmid and Nissim, 2016; Micklewright and Wright, 2005; Clark and Themudo, 2003). Moreover, the emergence of a new generation of philanthropists also contributes to this trend. As a result of running global businesses in electronics and high-tech industries as well as start-up ventures, these young philanthropists have both the capital and the expertise to tackle global issues (Schmid and Nissim, 2016; Spero, 2010).

Various goals and objectives are embraced in international philanthropic activities. At the individual level, international philanthropy strives for eliminating poverty and hunger, promoting individuals’ education, and enhancing the well-being of individuals (Petersen and McClure, 2011). At the level of societies and countries, international philanthropy works towards broader goals, such as strengthening democratic values, building a better civil society, empowering minorities and the disadvantaged, and offering foreign aid to needed developing countries (Global Impact, 2013; Benjamin and Quigley, 2010; Anheier and Daly, 2004; Schmid and Nissim, 2016). Other important focuses include global crises, such as natural catastrophes, economic crises, and political upheavals (Giving USA, 2011).

Three main channels within international philanthropy include foundation grantmaking, corporate giving, and individual donations or bequests (Schmid and Nissim, 2016). Despite the fact that U.S. private foundations have made great contributions in the pursuit of social, economic, and political change, foundation grantmaking, in comparison with the other two channels, has been understudied (Spero, 2010). In 2012, 1,000 of the largest U.S. foundations distributed 27 percent ($5.9 billion) of their grantmaking to international causes, including giving to overseas recipients as well as U.S.-based international programs (Foundation Center, 2014). Nonetheless, little is known about U.S. foundations’ role in global giving, their international practices, and their impact.

In this study, we try to fill the gap in literature as few comprehensive discussions have targeted private foundations’ international giving. All the “international giving” mentioned afterwards refer to the international giving by foundations, unless noted otherwise. Our paper begins by first introducing theoretical frameworks underlying rationales for international giving. This is then followed by a brief history of the U.S. foundations’ international giving. The third section illustrates the current status of international giving by foundations, including total giving, interest areas, and geographical distribution of the giving. The fourth presents case studies on the Bill and Melinda Gates Foundation and the Ford Foundation. Finally, the paper ends with a discussion of issues and challenges in international giving.

Theoretical Frameworks

Three theoretical approaches provide frameworks to examine international giving. They are the social exchange theory, the identification theory, and the identifiable victim effect theory (Schmid and Nissim, 2016).

The social exchange theory proposes that the voluntary action of individuals and institutions are motivated by returns and interactions. That is, a reciprocal exchange of positive reinforcements including personal attraction, social approval, prestige, and
power (Blau, 1964, Emerson, 1962). Although much scholarly work applies the social exchange theory to explain motives of individual and corporate philanthropy (Domenico, Tracey, & Haugh, 2009; Dreznier, 2009; Varadarajan and Menon, 1988), this theory also provides a framework for foundation philanthropy. Accordingly, foundations which make international contributions establish reciprocal abroad relationships and may seek to expand internationally to gain global recognition and prestige, emphasize their contributions’ social value, and serve as an influential force within international areas.

Second, the identification theory assumes that individuals are most likely to support causes with which they can identify (Schervish and Havens, 1992; Schervish, 2005). The stronger the identification is, the greater the level of commitment will be. According to the theory, individual immigrants and communities tend to make donations to their home countries with which they have a stronger sense of empathic identification in support of the low socioeconomic status populations there.

The third approach, the identification’s international giving was all-
the West were rebuilt, many developing nations joined the global economy. Yet, despite the benefits of globalization, new challenges likewise were produced, including health disparities, economic inequality, climate change, and global security threats. To tackle these issues, foundations adapted a global lens in approaching socioeconomic problems. A prosperous American economy enabled new philanthropies, the products of new wealth, and existing foundation (Spero, 2010, p.7). Entrepreneurs who had thrived off industries most affected by globalization, like technology, media, and finance, also spearheaded new foundations. As a result of being led by former globalization era industry leaders, the strategies and objectives of these foundations nationally contained international concerns. It is estimated that new foundations created since 1990 accounted for 56 percent of international giving in 2008 (Foundation Center, 2010).

The Great Recession of 2007 and 2008 and subsequent economic downturn also negatively impacted the capabilities of United States foundations. It is estimated that the Great Recession reduced more than 17 percent of U.S. foundations’ assets (Foundation Center, 2010). In supplementation, 87 of the largest U.S. foundations reported 21.8 percent lower assets in 2012 than in 2007 (Global Impact, 2013). As the ability of a foundation’s to give is linked with its assets, there was an unprecedented reduction of 32.3 percent in international giving between 2008 and 2010, or a decline from $6.2 billion to $4.2 billion (See Table 2) (Foundation Center, 2012). Given that the number of international grants remained at 9.1 percent of the total grant number, it is evident that the main cause of the reduction was a decrease in exceptionally large grants. According to Foundation Center (2012), the mean value of exceptionally large grants, worth $10 million or more, steeply dropped 55.3 percent in 2010 than the one in 2008.

Current Status
U.S. foundations are gradually recovering from the recession; since 2010 overall and international giving has steadily increased. In 2012, U.S. foundations gave a total of $51.8 billion, an increase of almost 13 percent from 2010 (Foundation Center, 2017). International giving by the largest of 1,000 U.S. foundations increased from $4.2 billion in 2010 to $5.9 billion in 2012 (Foundation Center, 2014). Mega foundations were key to the increase. The Gates Foundation increased its international giving substantially from $1.65 billion in 2010 to $2.6 billion in 2012 and represented 44 percent of international grant dollars, see Table 3 (Foundation Center, 2014). When excluding the Gates Foundation, giving between 2010 and 2011 would have been unchanged.

By subject, global health captured the largest share of international giving (See Graph 1). In 2012, the health sector was awarded 36.8 percent of total international giving, followed by international development and relief (20.1 percent), environment and animals (11 percent), and education (9.8 percent). A significant portion of international funding was made to developing countries. Sub-Saharan Africa received the largest share of the grants, followed by Asia and the Pacific, and Latin America and Mexico (See Graph 2).

The exceptionally large portion of international giving dedicated to the health sector in developing countries was a response to the persistent gap in health indicators between low-income countries and high-income countries (World Health Organization [WHO], 2014). In 2012, life expectancy at birth reached 79 years for both sexes in high-income countries while the same indicator showed life expectancy to be as low as 62 years in low-income countries – a difference of 17 years. Additionally, among the bottom ten countries ranked by life expectancy, nine countries in which life expectancies averaged below 55 years for both sexes were located in Sub-Saharan Africa. A great burden of health risks within this area is due to environmental factors: communicable diseases, unsafe water, lack of sanitation, and urban pollution (WHO, 2014). To put this in perspective, in 2012 for every 100,000 people in low-income countries, 1,788 lived with HIV whereas only 190 HIV-carriers were found in high-income countries. Of an estimated 2.3 million people newly infected with HIV, people living in sub-Saharan Africa accounted for 70 percent (WHO, 2014).

Case Studies: The Gates Foundation and the Ford Foundation
The Bill and Melinda Gates Foundation
Background
The Gates Foundation was established by Bill and Melinda Gates in 2000. The Gates foundation sees equal value in all lives and aims to improve the quality of life for individuals around the world. It primarily focuses on health, economic development, education, and policy and advocacy (The Bill and Melinda Gates Foundation, 2015a, Fejerskov, 2015). The Gates family was enabled to experiment with private philanthropy due to Bill Gates’ lucrative decision to co-found Microsoft and to invest in profitable stocks during the 1980s and the 1990s (Strother, 2008). In 1994, the Gates family first experimented with private philanthropy by establishing the William H. Gates Foundation (Fejerskov, 2015). The Gates Library Foundation and the Gates Learning Foundation were soon created afterwards, all of which aimed to promote health, education, and li-
libraries throughout the Pacific Northwest (Leknes, 2012). Then, in order to organize their charitable activity more effectively, the Gates family consolidated their philanthropic endeavors into one Gates Foundation in 2000 with an initial operating revenue of $17 billion (Fejerskov, 2015, pg. 1105). As early as 2006, the Gates Foundation endowment was $35 billion, which was then supplemented by a $31 billion pledge from Warren Buffett that same year. Thereafter the Gates Foundation was restructured to include the United States Program, the Global Health Program and the Global Development Program (Fejerskov, 2015, pg. 1106). The Global Health program has been the focus of the Gates Foundation since its inception; approximately 60 percent of all allocated grant money had been received by the Global Health program from its establishment until 2013 (Youde, 2013, pg. 10). Recently, the Gates Foundation allocates more resource on global development. As of 2015, approximately 49 percent of all grant funds were allocated to the Global Development Program ($2 billion out of $4.1 billion) and approximately 28 percent of all grants funds were allocated to the Global Health Program ($1.8 billion out of $4.1 billion) (The Bill & Melinda Gates Foundation, 2015a). Now with 1,420 employees and a trust endowment of around $40 billion, the Gates Foundation distributed $4.2 billion in 2015 (Bill and Melinda Gates Foundation, 2015d).

**Current Status of International Grants and Projects**

The Gates Foundation has four program areas: Global Development, Global Health, United States Program, and Global Policy & Advocacy. Global Development and Global Health are its largest and most internationally focused programs. At the time of writing, the most current financial statements were available for the year 2015. In that year alone, the Gates Foundation allocated about $4.2 billion total in direct grantee support, of which Global Development received the most, $2.1 billion, followed by Global Health, $1.2 billion, United States Program, $527 million, and Global Policy & Advocacy, $240 million. The remainder of the funds were distributed to communication costs, $45 million, and other charitable programs, $109 million (Bill and Melinda Gates Foundation, 2015a).

That is, the Gates Foundation distributed approximately 78 percent of funds to global development and health. Specifically, the Global Development program aims to lift impoverished peoples in developing countries out of poverty. In 2015, the top three projects in this area were polio (22 percent of the program funding), agricultural development (21 percent), and vaccination delivery (18 percent). The remainder of the program funds was allocated to family planning (7 percent), child health (6 percent), water sanitation (5 percent), financial services for the poor (5 percent), nutrition (4 percent), and global libraries (3 percent) (Bill and Melinda Gates Foundation, 2015b).

The Global Health program works to advance science and technology to save lives in developing countries. In 2015, the majority of the program funds were allocated on Malaria (18 percent), HIV (16 percent), and Tuberculosis (13 percent). The Global Policy and Advocacy program aims to build strategic relationships and promote policies that will help the foundation's work domestically and internationally. In 2015, the top three projects were program advocacy and communications (24 percent of the program funds), India programs (16 percent), and development policy and finance (15 percent). The remainder projects include donor government relations (13 percent), tobacco control (12 percent), philanthropic partnerships (10 percent), special initiatives (5 percent), Africa Representation (3 percent), and China programs (3 percent) (Bill and Melinda Gates Foundation, 2015a).

The Gates Foundation achieves its global objectives by allocating grants to trustworthy organizations, rather than by implementing its own relief programs. The number of causes that have received financial support from the Gates Foundation are extensive. According to the Awarded Grants database on the Bill and Melinda Gates Foundation website, in January 2016 the GAVI Alliance has received the largest grant from the Gates Foundation to date ($1.6 billion) (The Bill & Melinda Gates Foundation, 2017). The GAVI Alliance is an international organization which aims to create equal access to vaccines for children in the world's poorest countries (Gavi the Vaccine Alliance, n.d.). Since its establishment in 2000, GAVI Alliance has averted more than 8 million deaths through vaccinations in over 75 countries (Gavi the Vaccine Alliance, 2016a; Gavi the Vaccine Alliance, 2016b). Of the most recent grants and projects in 2016, eight of the ten largest grants were allocated to global health care causes. Besides the GAVI Alliance, other top recipients include The Global Fund to Fight AIDS, Tuberculosis and Malaria ($284 million), the Islamic Development Bank for financial services ($100 million) and the Government of Japan for eradicating polio ($79 million) (The Bill & Melinda Gates Foundation, 2017).

**Impact of the International Projects**

The Gates Foundation has supported a multitude of international programs in over 100 countries (The Bill & Melinda Gates Foundation, 2015d). Support and influence directed within the spheres of Global Health and Global Development stand out among the rest. The Gates Foundation strives to seek out government partners and provides necessary resources,
especially in times economic strain (Youde, 2013). An example of its influence concerns global malaria policy. In 2007, the Gates Foundation hosted the Malaria Forum with complementary high-profile invitees. During the forum, Bill Gates called for malaria initiatives to refocus their efforts away from malaria control and towards malaria eradication. At the time, Gates’ claim was especially radical; malaria control had been the common theme among the high-profile global health community since the 1970s. Nevertheless, the event effectively influenced Director-General of WHO Margaret Chan, who not only voiced support during the Malaria Forum, but also launched a partnership between WHO and Roll Back Malaria one year later in 2008 with a mission to eradicate malaria. Normally, campaigns and excessive networking would be required to instigate such a drastic refocus among global health leaders. However, the Gates Foundation, enabled by vast resources and credibility, accomplished this feat within a very short time span (Eckl, 2014). Although it is hard to quantify the Gates Foundation impact on malaria eradication, it can be noted that since 2000 malaria death rates have fallen by 60 percent. Moreover in 2016, the Gates Foundation committed at least $4 billion alongside the British government towards eradicating malaria within five years (Ruiz-Grossman, 2016).

The Gates Foundation’s HIV/AIDS initiatives demonstrate another way in which the foundation has been able to impact global health policy. In 2007 the Gates Foundation allocated over $308 million in support of international AIDS initiatives; an amount that was not only greater than any U.S. government initiative at the time but also an amount that equals more than half of all 2008 private HIV/AIDS donations (Youde, 2013). In fact, since 2003 the Gates Foundation Avahan initiative within India had already experienced considerable success in alleviating the spread and harmfulness of HIV/AIDS. In total, the Avahan project services reached over 280,000 high-risk individuals, 5 million men at risk for HIV, and prevented an estimated 100,178 HIV infections (Parker, 2008; Dandonia et al., 2011). Thus, following the Gates Foundation example in support AIDS research, donor governments likewise increased their budgets regarding HIV/AIDS research. The then-UNAIDS officer commented that other foundations concerned with HIV/AIDS purposely followed the Gates example to show their own serious commitments in eradicating the disease (Youde, 2013, pg. 11). Even in present times the Gates Foundation continues its initiative to combat HIV/AIDS. In 2016 the foundation made donations to the International AIDS Vaccine Initiative ($29 million), the AIDS Vaccine Advocacy Coalition ($19 million), and the World Health Organization ($3.7 million) in light of this cause (The Bill & Melinda Gates Foundation, 2017).

In similarity to this, the impact and reputation of the Gates Foundation has also been capable of changing budgets in support of global health policies. The National Institutes of Health, which has a mission to improve health via scientific discovery increased grant support for global health programs between 2003 and 2008, the same time the Gates Foundation released the 2003 Grand Challenges in Global Health (GCGH). The GCGH is a public initiative designed to increase awareness and funding of global health issues. Upon releasing the GCGH, the Gates Foundation invited members of the scientific community to respond with their opinions and insights, and ultimately over 2,500 responses and inquiries were received. The Gates Foundation also announced the GCGH publically at the 2003 World Economic Forum Annual Meeting and released a Wall Street Journal article on the subject shortly after. Likewise, between 2003 and 2008, NIH increased its malaria vaccine-related research budget by 96%, tuberculosis vaccine-related research budget by 62%, and infectious disease research budget by 26% (Matthews & Ho, 2008). Although the change in the NIH budget allocation is not confirmed to be related to the GCGH, the evidence suggests that the GCGH had at least some impact on raising global health awareness. Thus, as seen through the examples of global malaria policy, HIV/AIDS, and GCGH, it is evident that the Gates Foundation serves as a trendsetter in global health.

In other words, the Gates Foundation is a private foundation enabled by its resources and reputation to influence the policy of governments and large public institutions in support of its own global health ideologies and agendas.

Beyond global health areas, the Gates Foundation also has an illustrated ability to profoundly impact global development. Agricultural development, for which the Gates Foundation has spent $2 billion on thus far, is one such example. As of 2016, the Gates Foundation is the world’s fifth largest agricultural donor, next to the governments of Germany, Japan, Norway, and the US. In 2006, the Gates Foundation established the Alliance for a Green Revolution in Africa (AGRA) along with the Rockefeller foundation, which aims to eradicate hunger across the African continent. Although AGRA funding is relatively small (it has only received approximately $420 million since its inception), it is considered as the representative organization of the Gates Foundation’s work in Africa (Curtis, 2016, pg. 26). The AGRA program has been seen to benefit female farmers and protect soil fertility. On a more controversial note, AGRA promotes private and corporate ownership of seeds, rather than the owner-
ship of seeds by farmers themselves. AGRA also supports genetically modified seeds, which are more expensive and often supplant the market share of farmer seeds (Curtis, 2016; Thompson, 2012). Nevertheless, as the Gates Foundation donation totals agricultural development rival that of governments, AGRA among other programs exemplifies the Gates Foundation’s ability to spearhead new philanthropic initiatives that traditional political structures would not or cannot pursue. In the process, the Gates Foundation is able to benefit minority groups, such as the female African farmers.

Other global development programs that were implemented by the Gates Foundation include its tuberculosis awareness campaigns in China. In this project, the Gates Foundation supports strategic partners in China in order to build a community of supporters and advocates for tobacco control measures such as tax or marketing campaigns. As a result of the Gates Foundation funding as well as other major partners, most notably the World Bank and UK Department for International Development, the tuberculosis project provided coverage to 668 million Chinese, prevented 770,000 deaths, and avoided 20 million related infections (The World Bank, 2010).

The Gates Foundation is the largest U.S. private foundations that actively engages in and funds international causes. According to its annual reports, the Gates Foundation has spent more than $22 billion on Global Health and Global Development, two of its largest programs (The Bill & Melinda Gates Foundation, 2015a). Due to its substantial resources, the Gates Foundation has a large impact on global health, global development, and education policies worldwide. Its grants and supported programs have impacted the lives of millions over since the foundation’s inception and have impacted the decision of policy makers in these key areas.

**The Ford Foundation Background**

The Ford Foundation was established through an initial endowment of $25,000 by entrepreneur Edsel Ford, son of Henry Ford, in 1936 (Arnove, 1977; Magat, 2012). Under the leadership of Edsel Ford, the Ford Foundation steadily increased in scope and influence. In its early years, the bulk of the Ford Foundation’s grant money was distributed to Michigan charities, the home state of the Ford family (Magat, 2012; Curtio, 2013). By the end of the 1930s, Henry and Edsel Ford jointly contributed over $30 million to the Ford Foundation (Sutton, 1987). Thereafter, the foundation gave away an approximate $1 million each year until the death of Edsel Ford in 1943 and his father Henry Ford in 1947, wherein the two men’s wills boosted the assets of the Ford Foundation to an estimated $474 million (Sutton, 1987; Magat, 2012). Shortly after, the Ford Foundation began engaging in international philanthropic pursuits by the early 1950s. In 1952, the Ford Foundation established its first international office in New Delhi, India (Sackley, 2012). From 1950 until 1977, approximately 25 percent of the foundation’s grant budget was allocated toward international causes (Arnove, 1977). At this time the Ford Foundation also played a diplomatic role in forging transnational relationships at and continues to do so today by working alongside public bodies and financially supporting cross-border connections between youths, policy makers, and researchers in think tanks. Often times, the Ford Foundation’s role in international affairs has served and continues to serve as a complementary function to U.S. foreign policy agendas (Scott-Smith, 2014; Parmar, 2011). Currently, the Ford Foundation possesses $12 billion in assets and continues to internationally distribute an approximate $500 million in grants per annum through 11 worldwide offices (The Ford Foundation, n.d.).

**Current Status of the International Grants and Projects**

Ever since undergoing structural changes in the 1950s, the Ford Foundation has allocated large portions of its grants towards international projects. At the time of writing, the latest Ford Foundation annual report available online was written for 2012. According to the 2012 report, the total sum of grants distributed in 2012 was $525 million, wherein a total of $396 million grant monies were distributed within the United States region and $129 million grant monies were distributed toward international regions. The 2012 programs were divided into the following five areas: democracy, rights and justice ($178 million), economic opportunity and assets ($139 million), education ($143 million), education, creativity, and free expression ($143 million), PRIs ($29 million), and other grant actions ($35 million). All international offices received between $10.1 and $15.2 million in funding. The largest grantees are diverse in region; with China receiving the most grant money ($15.1 million), followed by Southern Africa ($14 million), and third Mexico and Central America ($13.6 million) (The Ford Foundation, 2012).

The 2012 grant programs issued by the Ford Foundation can be broken down into further detail. The democracy, rights, and justice division was divided into human rights ($102 million), democratic and accountable government ($73 million), and other areas ($2 million), and supported initiatives such as strengthening human rights worldwide and reforming global financial governance. The economic opportunity and assets program had four sections: economic fairness ($77 million), metropolitan opportunity ($34 million), sustainable development ($21 million), and other ($5 million). Spe-
cific initiatives outlined include improving access to financial services, connecting people to opportunity, and climate change responses that strengthen rural communities. Finally, the education, creativity, and free expression division likewise had four sections: freedom of expression ($69 million), educational opportunity and scholarship ($36 million), and sexuality and reproductive health and rights ($33 million), and other ($4 million). Initiatives in this sector include advancing media rights and access, higher education for social justice, and promoting reproductive rights. Specific figures for initiatives in all sectors are left unreported (The Ford Foundation, 2012).

Now, ever since a massive internal restructuring in 2015 spearheaded by the Ford Foundation’s latest President Darren Walker, the Ford Foundation’s international and domestic programs have both focused on fighting inequality (Walker, 2015). Accordingly, the Ford Foundation grant programs are categorized by seven areas that are designated as drivers of inequality: civic engagement and government, creativity and free expression, equitable development, gender, racial and ethnic justice, inclusive economies, internet freedom, and finally youth opportunity and learning (Walker, 2015; The Ford Foundation, 2016). Walker himself commented that these areas will not be silos but rather flexible in a way that program officers can join interdisciplinary teams with flexible assignments (Walker, 2015).

Impact of the International Projects

Since its turn to international projects in the 1950s, the Ford Foundation has played key roles in forging relationships between international policymakers and also in supporting American foreign policy agendas. One example of this takes place during the 1950s and 1960s, in which the Ford Foundation implemented a multitude of projects that engaged the U.S. with post-war Europe. One such program provided $1.5 million to the Atlantic Institute exchange initiative for the Program for Development of Rising Young Leaders. At a time when U.S. resources were constrained due to the Vietnam war and minority civil rights movements, the Ford Foundation’s involvement was especially helpful in maintaining U.S. presence on the post-war European stage, The Program for Development of Rising Young Leaders created a community of North Americans and Europeans intent on policy problem solving. Moreover, the newly created community of policy-thinkers was available as a consulting resource (Scott-Smith, 2014). Thus, the Ford Foundation’s involvement in post-war European affairs is one example of its ability to bolster U.S. foreign interests when American resources are strained.

Around the same time the Ford Foundation also pursued projects that complemented American interests in South America. The nearby Latin American countries had been considered a sphere of influence by U.S. policymakers since the Monroe Doctrine of 1823. During the Cold War, U.S. policy makers became increasingly concerned about the rise of communism in Latin America, especially after the adoption of communism by Cuba in 1959. They accordingly devised strategies to curb its spread. Exemplifying this is President Dwight Eisenhower’s tour of Latin America in 1960 and his accompanying delegation which boasted that $9 billion was invested into the Latin American countries by American corporations between 1946 and 1960. The Ford Foundation mainly supplemented the U.S. security interests in Latin America by sponsoring Latin American studies programs at major U.S. institutions. In 1962, the Ford Foundation granted $1 million for scholarly exchange among Latin Americanists at Harvard, Columbia, UC-Berkeley, and University of Texas among others. The following year the Ford Foundation granted another $1.5 million to post-doctoral researchers at the Library of Congress and Latin American programs at Cornell. Again, between 1963 and 1971, the Ford Foundation gave the Brookings Institution $1.3 million so that it might become a leader in Latin American studies. In other words, just as it had done in Europe, the Ford Foundation was aiding U.S. security interests by building a network of social scientists who understood the history and power dynamics of Latin America (Pamar, 2011).

Currently, in the globalization era of today, the Ford Foundation continues to play a role in reinforcing and shaping transnational relationships. The World Social Forum (WSF), a social movement and organization that has provided for a massive annual international meeting of civil society organizations since 2001, is one example of a major initiative that was influenced by the Ford Foundation’s intervention (Research Unit for Political Economy, 2007). The WSF attracts well over 100,000 delegates from 157 countries including feminists, trade unionists, and other groups. The Ford Foundation has granted the WSF over $1 million in direct support since its inception, making it one of the largest donors to the WSF. In this way, the Ford Foundation has some sort of monetary influence over a major international dialogue (Pamar, 2011).

Beyond this, the Ford Foundation has also promoted a long-term international education project known as the International Fellowship Program (IFP) from 2001 until 2013 (Dassin, et al., 2012; Ford Foundation International Fellowship Program, n.d.). In total the program provided for 4,300 doctorate and masters scholarships for recipients from 21 different developing
countries. Approximately two-thirds of IFP fellows studied abroad whereas one-third completed their fellowship in their respective home country (Dassin, et al.; 2012). The Ford Foundation has yet to release a follow-up study on the fellows, but is currently working on an IFP Alumni Tracking Study (Ford Foundation International Fellowship Program, n.d.). Nevertheless, the available statistics near the conclusion of the IFP indicate that the program was a success as 90 percent of the IFP Alumni were employed or continuing academic study and held a position related to their social commitment (Dassin, et al.; 2012).

The Ford Foundation is among the largest U.S. private foundations that funds international causes. Since the 1950s, the Ford Foundation has invested millions into global causes, ones that often align with U.S. foreign policy interests. In recent years, foundation has shifted its focus towards funding initiatives that alleviate global inequality. The Ford Foundation has a proven record of influencing the development and forging of international relationships.

**Challenges in International Giving**

**Impact Evaluation**

Impact evaluation of international giving is complex, especially since international programs often need years of input to take effect. International civil society development programs, for instance, are slow to yield results. It is also costly and time consuming to collect long-term data, and so most foundations emphasize short-term evaluation.

International foundation programs also lack support from academic studies and policy analysis. There is little academic interest in the international role of foundations, let alone scholarly discussions and critique. Additionally, given the inter-dependence between government and foundations, policy analysts hesitate to interfere with foundation agendas. Critiquing foundations might also be discouraged since many foundations fund scholarly and policy work (Spero, 2010). If this was not the case, academic and policy institution might be less hesitant to challenge and critically analyze the global works of foundations.

**International Governance**

Sustainability is a major challenge in the governance of foundations’ international programs. In the most positive cases, a foundation’s efforts nurture local communities and its philanthropic efforts realize long-term results of support and development. In other cases, dependency relationships may bind local philanthropic efforts, draining both their finances and resources. Therefore, in committing to an international cause, foundations with less funds are often forced to choose between creating an exit strategy or making long-term commitments (Spero, 2010).

Distortions caused by foreign assistance is another critical challenge for foundations when operating abroad, which is manifested in medical assistance. Foundation support for HIV/AIDS in developing countries may distort local health care resources and delivery, and thus weaken the already broken public health system.

**Accountability**

As U.S. private foundations are becoming more powerful in global arena, demands for accountability of foundations are rising as well. In the United States, what lies at the root of the independence and legitimacy of foundations is the belief that civil society serves as a balance to government and business. By granting privileged legal status and taxation to foundations, the government enables foundations to be financially independent and in turn to serve the society in ways that government and business cannot.

Of course, foundations have to operate in full compliance with laws and regulations. The Internal Revenue Service (IRS) and state attorneys general regulate foundations to ensure that they are financially accountable and absent of any misconduct.

Over the years, foundations have gradually provided more information about their finances and programs. This is in part to comply with existing regulations and in part due to rising public demands for transparency. Annual reports and other publications on foundation websites invite studies and critiques of their work. Third parties also disclose and analyze information of foundations. For instance, the Foundation Center, since its inception in 1956, has provided public data on foundation grants and published numerous reports on foundation programs and grant trends.

Accountability of foundation practices abroad, however, is complicated. In foreign environments where often the role and legitimacy of civil society is distinct from the U.S., foundations still pursue social change. This requires special sensitivity to their impact on foreign communities, societies and governments. Local needs and cultures should be carefully accessed. To improve foundations’ international accountability, external evaluation is one of the most important approaches. Another way to ensure accountability is to develop strong internal governance, in particular at the board level. Boards are responsible for organizational strategies, policies, operations, and legal compliance. Taking those responsibilities, board members should seek for adequate oversight through challenging staff, requiring independent assessments, and consulting outside experts. Moreover, self-regulation can help to assure accountability. Codes of conduct and ethics for practices abroad can be a good start.
Conclusion

International philanthropy in the United States has been on the rise in recent decades. As foundations and influential donors gain access to resources and information alike, the desire to pursue international philanthropic efforts increases. The Gates Foundation and the Ford Foundation are real-time examples. Both actively seek to shape global health and reduce income inequality through their programs. However, little research has been done to evaluate the impact of international giving. As the practice of international philanthropy evolves, it is imperative to take on the tasks to show the accountability of the programs. Further research is warrant to evaluate the accountability of these international philanthropic programs.
### Table 1: U.S. Total Net Economic Engagement with Developing Countries, 2010-2011

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<th>Billions of $</th>
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<tr>
<td>U.S. Official Development Assistance</td>
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<td>11</td>
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<tr>
<td>U.S. Private Philanthropy</td>
<td>$39.0</td>
<td>14</td>
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<td>Foundations</td>
<td>$4.6</td>
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<tr>
<td>Corporations</td>
<td>$7.6</td>
<td>19</td>
</tr>
<tr>
<td>Private and Voluntary Organizations</td>
<td>$14.0</td>
<td>36</td>
</tr>
<tr>
<td>Volunteerism</td>
<td>$3.7</td>
<td>9</td>
</tr>
<tr>
<td>Universities and Colleges</td>
<td>$1.9</td>
<td>5</td>
</tr>
<tr>
<td>Religious Organizations</td>
<td>$7.2</td>
<td>18</td>
</tr>
<tr>
<td>U.S. Remittances</td>
<td>$100.2</td>
<td>36</td>
</tr>
<tr>
<td>U.S. Private Capital Flows</td>
<td>$108.4</td>
<td>39</td>
</tr>
<tr>
<td>U.S. Total Economic Engagement</td>
<td>278.5</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: The Index of Global Philanthropy and Remittances 2013, Hudson Institute, Center for Global Prosperity.

### Table 2: International Grants vs. All Grants for Sampled Foundations, 1982-2012 (dollars in billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Int’l Grants (Current)</th>
<th>All Grants (Current)</th>
<th>Int’l as % of All Grant Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982</td>
<td>$0.1</td>
<td>$1.5</td>
<td>5.0</td>
</tr>
<tr>
<td>1986</td>
<td>$0.2</td>
<td>$2.2</td>
<td>8.0</td>
</tr>
<tr>
<td>1990</td>
<td>$0.5</td>
<td>$4.4</td>
<td>11.5</td>
</tr>
<tr>
<td>1994</td>
<td>$0.7</td>
<td>$5.9</td>
<td>11.5</td>
</tr>
<tr>
<td>1998</td>
<td>$1.1</td>
<td>$9.7</td>
<td>10.9</td>
</tr>
<tr>
<td>2002</td>
<td>$2.2</td>
<td>$15.9</td>
<td>13.8</td>
</tr>
<tr>
<td>2006</td>
<td>$4.2</td>
<td>$19.1</td>
<td>22.0</td>
</tr>
<tr>
<td>2008</td>
<td>$6.2</td>
<td>$25.3</td>
<td>24.4</td>
</tr>
<tr>
<td>2010</td>
<td>$4.2</td>
<td>$20.0</td>
<td>21.0</td>
</tr>
<tr>
<td>2012</td>
<td>$5.9</td>
<td>$22.3</td>
<td>26.5</td>
</tr>
</tbody>
</table>

Source: Foundation Center, 2014; Foundation Center, 2012; Spero, 2010. Based on all grants of $10,000 or more awarded by a national sample of approximately 1,000 larger U.S. foundations.
<table>
<thead>
<tr>
<th>Foundation</th>
<th>Fdn. Type*</th>
<th>Amount of Int’l Grants</th>
<th>% of Total Int’l Grants*</th>
<th>Int’l as % of All Giving*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill &amp; Melinda Gates Foundation</td>
<td>IN</td>
<td>$2.6 B</td>
<td>44</td>
<td>82.6</td>
</tr>
<tr>
<td>Ford Foundation</td>
<td>IN</td>
<td>$217M</td>
<td>3.7</td>
<td>46.0</td>
</tr>
<tr>
<td>William and Flora Hewlett Foundation</td>
<td>IN</td>
<td>$202M</td>
<td>3.4</td>
<td>66.9</td>
</tr>
<tr>
<td>Susan Thompson Buffett Foundation</td>
<td>IN</td>
<td>$199M</td>
<td>3.4</td>
<td>55.1</td>
</tr>
<tr>
<td>Walton Family Foundation</td>
<td>IN</td>
<td>$167M</td>
<td>2.8</td>
<td>40.0</td>
</tr>
<tr>
<td>Open Society Institute</td>
<td>OP</td>
<td>$117M</td>
<td>2.0</td>
<td>74.8</td>
</tr>
<tr>
<td>David and Lucile Packard Foundation</td>
<td>IN</td>
<td>$115M</td>
<td>1.9</td>
<td>46.3</td>
</tr>
<tr>
<td>Gordon and Betty Moore Foundation</td>
<td>IN</td>
<td>$98M</td>
<td>1.7</td>
<td>47.2</td>
</tr>
<tr>
<td>Foundation to Promote Open Society</td>
<td>IN</td>
<td>$92M</td>
<td>1.6</td>
<td>36.0</td>
</tr>
<tr>
<td>John D. and Catherine T. MacArthur Foundation</td>
<td>IN</td>
<td>$84M</td>
<td>1.4</td>
<td>41.6</td>
</tr>
</tbody>
</table>

Source: Foundation Center, 2014; Foundation Center, 2017. Based on all grants of $10,000 or more from each foundations.

*IN=Independent Foundations; OP=Operating Foundation
*% of total international grants by nationwide U.S. foundations
*% of all giving by the foundation of Column 1
Graph 1: Foundations' International Grants by Subject Category in 2012
(Percent of dollars) TOTAL: $5.9 BILLION

Source: Foundation Center, 2014. Based on all grants of $10,000 or more awarded by a national sample of approximately 1,000 larger U.S. foundations.

*Public Affairs/Society Benefits: Includes grants for public affairs, philanthropy, and general grants to promote civil society. Some civil society grants are captured in other categories, such as human rights and international development.
Graph 2: Foundations' International Grants by Region in 2012

Source: Foundation Center, 2014. Based on all grants of $10,000 or more awarded by a national sample of approximately 1,000 larger U.S. foundations.
References
Financials


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