

American Foundations and the Age of Global Philanthropy: How Brazil Fares in the Grant\$ Race

*Fundações Americanas e a era da Filantropia Global:
como o Brasil está longe na corrida por fomento*

*Fundaciones Americanas y la era de Filantropía Mundial:
Cómo va Brasil en la carrera de los subvenciones*

LISA JASINSKI*
COREEN DAVIS**
PATRICIA SOMERS***
MARILIA MOROSINI****



ABSTRACT

This article examines U.S. private foundation giving to non-governmental organizations (NGOs) and educational institutions in Brazil during and after the global recession (2006-2012). Using a national database of grants, the authors identify the U.S. private foundations that give the most money to Brazil, name the causes that receive the most international support, and identify how foundation giving in Brazil has been impacted by the worldwide financial crisis. The sections of the article describe the history of funding to education, the research literature on global philanthropy, the methodology for the study, the results, and recommendations to Brazilian scholars on how to more effectively pursue grants.

Keywords: Global philanthropy. U.S. private foundations. Giving trends. Internationalization.

RESUMO

Este artigo examina fundações privadas dos Estados Unidos que fazem doações às organizações não governamentais – ONGs e instituições educacionais no Brasil, durante e após a recessão global (2006-2012). Usando dados americanos, os autores identificam as fundações privadas americanas que destinam mais dinheiro para o Brasil, nomeiam as razões das instituições que recebem o maior apoio internacional e identificam como as fundações brasileiras têm sido impactadas pela crise financeira mundial. O artigo apresenta seções que descrevem a história do financiamento da educação, a literatura de pesquisas sobre filantropia global, a metodologia, os resultados e recomendações para estudiosos brasileiros da forma mais eficaz de concretizar subvenções.

Palavras chave: Filantropia global. Fundações privadas Norte Americanas. Internacionalização. Tendências.

RESUMEN

Este artículo examina fundaciones privadas de EE.UU. que dieron subvenciones a las organizaciones no gubernamentales (ONG) e instituciones educativas en Brasil durante y después de la recesión mundial (2006-2012). Los autores identifican las fundaciones privadas que dan la mayor cantidad de dinero a Brasil, las causas que reciben el más apoyo internacional, e identificar cómo filantropía en Brasil se ha visto afectada por la recesión global. Las secciones del artículo se describen la historia de la financiación de educación, la literatura sobre la filantropía mundial, la metodología para el estudio, los resultados y recomendaciones para los estudiosos brasileños sobre cómo perseguir con mayor eficacia las subvenciones.

Palabras clave: Filantropía mundial. Fundaciones privadas de Estados Unidos. Recesión global.

* Trinity University, San Antonio, Texas. E-mail: <ljasinski@utexas.edu>.

** The University of Texas at Austin. E-mail: <c.davis@austin.utexas.edu>.

*** Ph.D., The University of Texas at Austin. E-mail: <pasomers@austin.utexas.edu>.

**** Ph.D., Pontifical Catholic University of Rio Grande do Sul. E-mail: <marilia.morosini@pucrs.br>.



INTRODUCTION

Throughout the world private wealth has increased dramatically, especially in Brazil, India, China, and Russia (the BRICs), which has led to increased philanthropic giving over the past twenty years. According to Moore and Rutzen (2011), 16 of the world's richest individuals were from India, Russia, China, Brazil, or Mexico in 2010. High net worth individuals have increased by 11% per year in the first decade of the 21st Century in India. In Singapore, 11.4% of the families have assets of \$1 million USD or more. China has more than 200 citizens who are billionaires. Moore and Rutzen report that this increased wealth had a dramatic impact on philanthropy. For example, the number of private foundations increased in Brazil by 300 percent in 20 years (EVANS, 2012). In Russia, there were no private foundations in 1991; in 2008, foundation giving was more than \$2.5 billion USD. China gained 800 private foundations from 2005-2010, and Europe has 95,000 public benefit funds.

The Foundation Center (2015) found that between 2010 and 2012, 319 U.S. foundations granted \$1.7 billion USD in assistance for Latin America. This figure includes all grants to organizations based in Latin America and all U.S. grants focused on Latin America. The grants awarded directly to Latin America totaled \$456.8 million USD, which was "6.7 percent of all cross-border (overseas) giving by U.S. foundations" (p.3). Brazil was second to Mexico in the amount of funds received in the region. The Brazilian Federation received \$123,813,030 USD, for 458 grants to 242 organizations (p.5). Based on these figures, Latin America and Brazil were shortchanged on private foundation funds from the United States.

This article examines in detail U.S. private foundation giving to non-governmental organizations (NGOs), private universities, and public universities in Brazil, and makes recommendations to Brazilian scholars on how to more effectively pursue grants. The sections of the article describe the history of funding to education, the research literature on global philanthropy, the methodology for the study, the results, and recommendations.

HISTORY OF EDUCATIONAL PHILANTHROPY

There is a long tradition of educational philanthropy. For example, King Theodosius II donated money to the University of Constantinople to endow 425 chairs (DOMONKOS, 1997). Some medieval universities had local patrons. Religiously affiliated universities were supported by whichever religion was dominant in the region (*cuis regium, cuis relegio*). The precursors to modern foundations were the mutual aid societies

that wealthy 17th century European families created (DOBRZYNSKI, 2007). Later, wealthy English women began educational and vocational training facilities for poor women.

By contrast, educational philanthropy in the U.S. is very young. The "Big 3" educational philanthropies—Ford, Rockefeller, and Carnegie—were endowed by the great "robber barons" of American industry. Brooks (2015) attributed this in part as a "self purging of guilt expressed through virtuous giving" (p.38). The Carnegie Foundation was an early supporter of higher education, funding the Carnegie Foundation for Teaching (1905), the college teacher retirement fund (TIAA, 1918), the Flexner Report on Graduate Medical Education (1910), and the Educational Testing Service (ETS, 1947). John Rockefeller (who owned Standard Oil Company, now Exxon Mobil) created the Rockefeller Foundation in 1913 to "promote the wellbeing of humanity throughout the world." In 1890, Rockefeller donated \$35 million USD to the University of Chicago. Over the next several decades, he gave funds to support science, public health, and training for world leaders. The Ford Foundation was created in 1936 with a \$25,000 USD contribution from Ford's son Edsel. The mission is to "receive and administer funds for science, education, charitable purposes, and for the public welfare" (FORD FOUNDATION, n.d.). The Ford Foundation is discussed in more detail below in relation to philanthropy in Brazil.

CURRENT RESEARCH ON PHILANTHROPY

While much has been written on philanthropy, some recent literature focuses on critiques of foundations and their practices. These criticisms discussed below center on the new philanthropists and how they have changed giving. The result is a change in how academics should contact and work with international funding sources.

Whether the term is global philanthropy, venture philanthropy, super philanthropy, creative philanthropy, or capitalist philanthropy, a new generation of donors has created foundations while they were still living and take a very active role in the direction of the organization. Many of the donors obtained their fortunes through information technology companies, and demanded their foundations and all grantees achieve the same operating efficiencies as their businesses. A few donors set a timeline for spending all of the foundation assets; for example, Bill and Melinda Gates plan to spend all assets and close their foundation within twenty years of their deaths. This is in contrast to older foundations with vague charges to "improve the human condition," large assets, high overhead costs, structures to support the organization in perpetuity, and no accountability (BARKAN, 2013).

Schervish (2008) described the new philanthropists as:

Becoming more numerous, hav[ing] higher net worth at a younger age, and increasingly recogniz[ing] their financial security; seek[ing] out rather than resist[ing] charitable involvement;

Approach[ing] their philanthropy with an entrepreneurial disposition;

Mov[ing] their giving towards inter-vivos involvements [giving while alive];

Plan[ning] to limit the amount of inheritance for heirs;

Understand[ing] that caring for the needs of others is a path to self-fulfillment;

Mak[ing] philanthropy a key and regular ingredient of the financial morality that they observe and impart to their children; and

View[ing] philanthropy as a way to achieve simultaneously the happiness of themselves and others (cited in HAYS and MULLER, 2014, p. 637-638).

This approach is a major shift in philanthropy. Rather than considering a donation a gift, contemporary donors view it as part of their personal investment portfolio. Indeed, “it is an investment targeted at a problem” (HAYS and MULLER, 2014, p. 638). Lawson (1997) indicated that donors

Apply... their entrepreneurial disposition enthusiastically and give... attention to matters like rigorous due diligence, scalability, return on capital, leveraging the investment, accountability to stakeholders, agreed targets, excellence in delivery, accurately measured outcomes (p. 1).

Hays and Muller (2014) compare this to philanthropy by “business model” in which the donors have hyper agency. Thus, NGOs and universities should adjust their grant writing and administration accordingly to match the new operating practices of donors and foundations.

Barkan (2013) likens the large foundations to plutocracies, founded at the quirk of wealthy individuals and with little public accountability. In the United States, donors receive large income tax deductions to divert their assets to non-profit foundations while they still control how the money is spent. She estimates that 35 percent or more of the funds donated have been exempted from tax collection, which could have been used for government social welfare programs (p.637). Instead, the funds are given to the foundation to serve the needs that the donor perceives as important and in accordance with the donor’s political and philosophical beliefs.

Adelman (2009) argues that

Private philanthropy is remaking the landscape of international development assistance. Remarkable new players have emerged who are finding innovative ways to help the world’s poor, and, in the process, are transforming the concept of foreign aid. The traditional “donor-to-recipient” model of foreign aid has been supplemented, if not supplanted, by public-private partnerships. The roles played by business, governments, charities, and even the recipients of aid have changed as new projects make development efforts more sustainable, work in partnership with local institutions and communities, and encourage the poor to become active partners and co-investors in the development process (p. 23).

Another philosophical shift is that private funds are supplanting the United States government’s foreign aid budget. Adelman cites figures from 2007 indicating that only 9 percent of America’s “economic engagement with developing countries” was in the form of direct government aid. The remaining 91 percent of funds came from the following sources: private philanthropy (16 percent), funds sent by family members living in the U.S. (34 percent), and private corporate investment (41 percent) (p. 26).

With this history and changing practices in mind, we turn to our research. The methodology, results, and recommendations follow below.

METHODOLOGY

We use three questions to examine the funding patterns of American private foundations in Latin America and Brazil: (1) Who’s donating? (2) What causes are they supporting? and (3) How has the global recession influenced private foundation giving?

In order to conduct our analysis, we used an electronic database accessible through The Foundation Center, a New York-based not-for-profit organization that provides information about philanthropic activities. Specifically, we used Foundation Center Maps 2.0 (2015), a paid subscription database that enabled us to search grant-making activities by geographic region, restricting our search to the Federative Republic of Brazil. Private foundations in the United States are subject to limited external oversight; under federal law, they must report basic information to the Internal Revenue Service, but are largely free to determine how much (or how little) information to release about their activities, programs, and awards. The Foundation Center, as a result, has the most complete and consistent record of grant-making activities using standardized search terms and parameters. Our study examined awards made in 2012, the most current publicly available data at the time of our study.

In the second stage of analysis, we conducted a document review to identify the top ten U.S. foundations that are the most active grantors to organizations based in Brazil. We defined active as the most dollars awarded: the ten organizations granted between \$7 million USD to over \$125 million USD (with a mean of \$30.8 million USD). In 2012, these ten foundations awarded between 7 and 553 grants, and the mean number of awards was 106. To complete our study, we reviewed publicly available information shared by the foundations, such as web sites, annual reports, and analyses prepared by researchers at The Foundation Center.

GLOBAL PHILANTHROPY

The 1990s and early 2000s were a period of strong economic growth and stability; this period of prosperity enabled U.S. foundation assets to increase four-fold (SPERO, 2010, p. 7). Since 1990, foundation giving (in dollars) has quintupled and the number of private foundations in the United States has doubled. At beginning of the worldwide financial crisis in 2008, private foundation assets stood at more than half a trillion dollars (SPERO, 2015, p. 9).

As U.S. foundation assets and giving has grown, a greater proportion of grant dollars have been directed overseas. In 1982, international grant dollars accounted for five percent of all grant-making activities, but the percentage grew to nearly a quarter of all grant dollars by 2008; the total amount of these grants is more than \$6 billion USD (SPERO, 2010, p. 2). The Bill and Melinda Gates Foundation awarded 86% of its grant dollars internationally, from annual awards that exceeded \$2 billion USD in 2008 (SPERO, 2010, p.9). This trend toward greater international grant making is expected to increase in the future. For the past several years, growth in international grant making has steadily outpaced domestic giving (PETERSEN and MCCLURE, 2011; SPERO, 2014). This shift has been partially attributed to pressure from the number of foundation board members, these “mega-donors,” who urge expanded international giving, especially to the BRIC countries (UPSALL, 2013).

Where are foreign grants being awarded? Based on 2008 numbers (Figure 1), Western Europe received about half of the grant awards from U.S. private foundations; Asia received 20%, Africa received 12%, and only 7.4% was allotted to Latin America (SPERO, 2010, p.11). In 2010-12, the percentage of U.S. foundation aid to Latin America rose to 9% (FOUNDATION CENTER, 2014). These proportions can be misleading, in part due to restrictions imposed by the U.S. government after September 11, 2001 regarding international fund transfers. As a result, many foundations now direct funds

to European-based charities that conduct philanthropic projects in Africa or other developing regions, rather than directing funds to organizations based in these communities. In 2008, 65% of all private foundation grants were used to support work in the developing world (SPERO, 2010, p. 8).

Region	Percentage of Global Giving Received
Eastern Europe, Russia, and Independent States	3.80
North Africa and the Middle East	3.90
Western Europe	5.20
Canada	5.70
Latin America	7.40
Sub-Saharan Africa	12
Other Regions (Administered by WEO)	17.60
Asia and the Pacific	18.10
Global Programs (Administered by WEO)	26.20
TOTAL	100 (\$2.1B)

WEO - Western European Organizations.

Source: The Foundation Center (2010). The Global Role of U.S. Foundations. Based on all grants of \$10,000 or more from a sample of approximately 1,000 larger foundations. Grants to overseas recipients may be for programs conducted in other countries or regions.

Figure 1. U.S. Foundation Global Giving (2008)

WHO FUNDS PROJECTS IN BRAZIL?

In this section, we discuss the ten most active U.S. foundations that fund projects in Brazil. Unless otherwise noted, the information is taken from the website for each foundation. Figure 4 provides a summary of the total number of grant awards and dollars awarded from these foundations between 2006 and 2012. We discuss each foundation in order of the total amount granted to Brazil.

The Ford Foundation. The Ford Foundation, headquartered in New York City, was founded in 1936 by Edsel Ford, son of Ford Motor founder Henry Ford. The Foundation supports efforts to promote world peace, order, and justice, as well as to advance the economic wellbeing of people all over the world. It also seeks to “strengthen, expand and improve educational facilities and methods to enable individuals to realize more fully their intellectual, civic and spiritual potential; to promote greater equality of educational opportunity, and to conserve and increase knowledge and enrich culture” (FORD FOUNDATION, n.d.).

The Ford Foundation has both the longest and the most generous funding legacy in Brazil. Their mission in Brazil is to “help change the structures and policies that deepen the inequalities faced by marginalized groups,” focusing on human rights, sustainable development, and freedom of expression. In the last ten years, the Ford Foundation’s primary funding interests in Brazil have included: higher education (especially college access for indigenous and low-income students), reproductive

health and human rights for women, and the environment (BROOKE and WITOSHYNSKY, 2002). Not only has the Ford Foundation been the most generous foundation in the country in recent years, it has been active in grant making in Brazil for over 60 years. The total value of the Foundation's gifts, adjusted to 2001 dollars, is almost \$350 million USD (BROOKE and WITOSHYNSKY, 2002, p.249), averaging 42 grants per year (and a mean dollar amount of \$200,000 USD per grant).

In 2012, the Ford Foundation ranked highest in dollar value of grants to Brazil, giving 553 grants totaling \$125,216,045 USD (FOUNDATION CENTER, 2015). These grants were directed to initiatives ranging from expanding community control over natural resources, advancing media rights and access, advancing racial justice and minority rights, climate change, and human rights worldwide. In the last ten years, the Ford Foundation's primary funding interests in Brazil have included higher education (especially college access for indigenous and low-income students), reproductive health and human rights for women, and the environment (BROOKE and WITOSHYNSKY, 2002, p.259-263).

Since 1960, the average number of annual Ford Foundation grants to academic projects and non-governmental organizations in Brazil has increased; between 2000 and 2010, the Foundation averaged over 50 grant awards per year to NGOs and over 30 to academic organizations. While the number of awards has increased, the average dollar amount per year given to academic organizations in Brazil steadily declined from nearly \$8 billion USD in the 1960s to less than two million per year in the 1980s. While the amount granted began to increase in the 1980s, between 2000 and 2010, the awards were an average of \$5 million USD per year. The average amount donated per year to Brazilian NGOs by the Ford Foundation steadily increased from \$500,000 USD in the 1960s to over \$8 million USD at the start of the twenty-first century. One explanation for the rise in grants awarded to Brazilian NGOs is that domestically, the non-profit sector has grown considerably in recent years—two-thirds of Brazil's NGOs are less than twenty years old (EVANS, 2012). The change in funding might be explained by the 200,000 new organizations vying for funds and engaged in outreach work. The number of Ford grants awarded to the Brazilian government remained consistent, less than five per year, since the 1960s. The average annual dollar amount of grants awarded to the Brazilian government has decreased from a high of nearly \$2 million USD in the 1960s to less than \$100,000 USD in 2000 (BROOKE and WITOSHYNSKY, 2002, p.254-260).

The Gordon and Betty Moore Foundation. Created by a co-founder of Intel, the Gordon and Betty Moore Foundation is based in Palo Alto, California,

and is dedicated to environmental conservation, patient care, science, conservation, and science and technology museums in the San Francisco Bay Area. In 2012, The Moore Foundation gave the second highest dollar amount in grants to Brazil; their 92 grants totaled over \$62 million USD (FOUNDATION CENTER, 2015). The Moore Foundation funded projects to promote sustainable agricultural, anti-deforestation, and conservation projects in the Amazon region.

The W.K. Kellogg Foundation. Founded in 1930 in Battle Creek, Michigan, by breakfast cereal magnate, Will Keith Kellogg, the mission of the W.K. Kellogg Foundation is to support vulnerable children so that they may become successful adults in their communities and societies. The Kellogg Foundation funded 111 grants to Brazil in 2012, totaling almost \$50 million USD (FOUNDATION CENTER, 2015). These grants were awarded to projects throughout Brazil, ranging from enhancing the teaching of Afro-Brazilian history in schools and in the media, violence prevention for Black youth, supporting racial equity in higher education, solving social and environmental programs, increasing public and private school funding, and promoting human rights and gender equity.

The Bill and Melinda Gates Foundation. Based in Seattle, Washington, since 2000, the Bill and Melinda Gates Foundation aims to enhance healthcare, reduce global poverty, and to expand access to technology and educational opportunities. The foundation is currently the wealthiest private foundation in the world with an endowment of over \$41 billion USD supplied by the Microsoft co-founder Bill Gates and Berkshire Hathaway chief executive officer, Warren Buffet. In 2012, the Gates Foundation awarded 18 grants to Brazil totaling \$19.5 million USD (FOUNDATION CENTER, 2015). These grants included an alliance with the Brazilian Ministry of Health to support public health programs (specifically vaccines to defeat neglected tropical diseases, HIV/AIDS, malaria and tuberculosis), agricultural research, and support for small farming operations. In addition, Gates funded the Access to Learning Award (ATLA) to bring innovative high-tech library tools to the state of São Paulo.

The William and Flora Hewlett Foundation. Founded in 1966, and based in Menlo Park, California, the Hewlett Foundation is dedicated to helping people "build measurably better lives." The Hewlett-Packard co-founder's foundation has a philanthropic portfolio of grant-making programs that includes education, the environment, global development, and the performing arts. The Hewlett Foundation gave 30 grants totaling \$13.5 million USD to Brazil in 2012 (FOUNDATION CENTER, 2015). These grants supported projects focused on nuclear security, climate change and air quality, urban development, and transportation.

The Charles Stewart Mott Foundation. The Charles Stewart Mott Foundation was founded in 1926 by General Motors co-founder to support community projects in his hometown of Flint, Michigan. Today, the Foundation continues to fund projects in Flint, but has expanded its grant-making programs globally, making awards to improve civil society, the environment, and pathways to opportunity. In 2012, the Mott Foundation funded 43 Brazilian grants totaling \$8,369,500 USD (FOUNDATION CENTER, 2015). These grants funded projects related to monitoring the environmental impacts of hydrological dams, regional transport, energy infrastructure, and social problems in the Amazon.

The United Nations (U.N.) Women's Fund for Gender Equality. The United Nations Women's Fund for Gender Equality is an international grant-making mechanism based in New York. The Fund started with a \$65 million USD contribution from the Spanish Government in 2009 to advance gender equality and women's empowerment throughout the world. The Fund gave seven grants to Brazil in 2012, totaling just over \$8 million USD (FOUNDATION CENTER, 2015).

The Silicon Valley Community Foundation (SVCF). Founded in 2007 in Mountain View, California, the Silicon Valley is the largest community foundation in the United States and has a mission to address social, economic, and environmental challenges facing San Mateo and Santa Clara counties in northern California. Recognizing that social issues are not confined to local or national communities, SVCF supports international charitable giving to non-profit organizations throughout the world. In 2012, SVCF gave a total of \$7,547,999 USD in the form of 22 grants to Brazil.

The David and Lucille Packard Foundation. David and Lucille Packard established their Foundation in Los Altos, California in 1964, using their personal wealth from co-founding the technology company Hewlett-Packard. Today, the Foundation has grant-making programs focusing on ecosystem conservation, population control and reproductive health, and child development. In 2012, the Foundation gave \$7,219,802 USD and 22 grants to Brazil.

The Microsoft Corporation Contributions Program. The Microsoft Corporation Contributions Program is based in Redmond, Washington, and is dedicated to applying proprietary technologies to solve local and global challenges in society (MICROSOFT CORPORATIONS CONTRIBUTIONS, n.d.). Their grants provide funds for youth empowerment to create a healthy and vibrant future. In 2012, the MCCP funded 164 grants to Brazil, totaling just under \$7 million USD (FOUNDATION CENTER, 2015).

In summary, the top ten foundations giving to Brazil have some commonalities. They tend to contribute to

technology, health, education, and environmental projects. This focus suggests direct contact with foundations that emphasize collaborative projects with measurable outcomes and a financial cost benefit analysis.

WORLDWIDE GIVING DURING THE RECESSION

The global financial crisis had a strong impact on philanthropic organizations (REICH, and WIMER, 2012). A Foundation Center study estimated that, on average, American foundations lost 17% of their assets in 2008, leading to an 8% reduction in awards that year and the following year (PETERSEN and MCCLURE, 2011, p. 90). Figure 2 represents these declines, showing comprehensive giving for all foundations (both the U.S. and abroad) from 2006 to 2012. During the previous period of economic stability, international grant making increased by \$6 billion USD between 2006 and 2007. At the beginning of the financial crisis, grant making held stagnant between 2007 and 2008—approximately \$30 billion USD given in each year—and declined by \$2 billion USD in 2009, 6% of total awards (FOUNDATION CENTER, 2015). Given that these figures do not account for annual inflation, the losses are actually greater.

Figure 3 provides a graphic representation of U.S. private foundation giving during and after the global recession (2006-2012) and giving to Brazil from the same period. The charts on the left show the total number of individual grants awarded and on the right show dollars awarded. The upper left graph clearly shows that there was a sharp decline in the number of grants awarded (worldwide) in the years immediately following the financial crisis. While the total dollar amount of grants also declined, see the lower left graph, the decline was not as sharp as the drop in grants. The data are the most currently available.

In terms of actual dollars awarded, foundation grants stayed remarkably constant during the recession; giving stabilized at \$30 billion USD annually with a slight rise in 2011. However, in the same period, the total number of grants awarded declined in 2009 to 400,000 awards, but then rose 21% in 2010 (FOUNDATION CENTER MAPS DATA, 2015). There are two encouraging trends to notice in the recent statistics. First, by 2011, most private foundations returned to their pre-2008 levels of giving, but it will likely be a few more years before patterns stabilize and growth catches up with inflation and rising costs (PETERSEN and MCCLURE, 2011). Second, given the significant declines to both foundation assets and awards, it is surprising that international giving *only* declined 4%. There is one possible explanation: the Gates Foundation actually increased its spending during the recession to off-set anticipated cuts elsewhere. If the Gates grants

Foundation Name	Location	Primary Funding Interests	# of Grants Awarded to Brazil	Total \$ Amount of Awards to Brazil
Ford Foundation (www.fordfoundation.org)	New York, NY	Promoting Peace, Justice, and Economic Wellbeing	553	USD \$125,216,045
Gordon and Betty Moore Foundation (www.moore.org)	Palo Alto, CA	Environment, Science	92	USD \$62,229,033
W.K. Kellogg Foundation (www.wkkf.org)	Battle Creek, MI	Vulnerable Children and Individuals	111	USD \$49,128,961
Bill and Melinda Gates Foundation (www.gatesfoundation.org)	Seattle, WA	Education, Healthcare, Technology, Global Poverty	18	USD \$19,463,450
The William and Flora Hewlett Foundation (www.hewlett.org)	Menlo Park, CA	Human Wellbeing	30	USD \$13,491,380
Charles Stewart Mott Foundation (www.mott.org)	Flint, MI	Civil Society, Environment, Human Development	43	USD \$8,369,500
UN Women’s Fund for Gender Equality (www.unwomen.org)	New York, NY	Gender Equality	7	USD \$8,090,000
Silicon Valley Community Foundation (www.siliconvalleycf.org)	Mountain View, CA	Social, Economic, and Environmental Challenges	22	USD \$7,547,999
The David and Lucille Packard Foundation (www.packard.org)	Los Altos, CA	Environment, Reproductive Health, Child Development	22	USD \$7,219,802
Microsoft Corporation Contributions Programs (www.microsoft.com)	Redmond, WA	Technology	164	USD \$6,981,139

Source: The Foundation Center (2015). Foundation Maps Professional 2.0. Accessed in May 2015. <https://maps.foundationcenter.org>.

Figure 2. Summary of U.S. Private Foundation Gifts to Brazil, 2006 to 2012 (Top 10 foundations, ranked by total dollars awarded)

Year	# of Grants Awarded (Global)	World-Wide Grant Total USD	# of Grants Awarded (Brazil)	Grants Awarded in Brazil Total USD
2006	470,000	\$24,000,000,000	252	\$32,000,000
2007	480,000	\$30,000,000,000	196	\$38,000,000
2008	425,000	\$30,000,000,000	198	\$41,000,000
2009	418,000	\$28,400,000,000	397	\$68,000,000
2010	517,000	\$31,000,000,000	547	\$58,000,000
2011	461,000	\$33,000,000,000	369	\$46,000,000
2012	402,000	\$30,000,000,000	410	\$59,000,000

Source: The Foundation Center (2015). Foundation Maps Professional 2.0. Accessed in May 2015. <https://maps.foundationcenter.org>. Original Line Graph created using Rapid Tables <http://www.rapidtables.com/tools/line-graph.htm>.

Figure 3. Summary of World-Wide Giving: All Foundations and in Brazil (2006-2012) – TABLE

were subtracted, the amount of the total awards given during the recession would have been smaller.

FUNDING PATTERNS IN LATIN AMERICA

In recent years, Latin America has received between 7% and 10% of all international grants from U.S. private foundations; between 2010 and 2012, these grants totaled \$1.7 billion (SATO, 2014, p. 3). The top regional funders include the Walton Family Foundation (Nacional stores), the Bill and Melinda Gates Foundation, and the Donald and Lucille Packard Foundation. Their combined gifts alone constitute about half of all funding to the continent. The Walton Family Foundation was created by Sam and Helen Walton, two of the founders of Walmart. The Walton Foundation focuses its giving on K-12 education reform, environmental conservation, initiatives based in Arkansas, and evaluation and learning

(WALTON FAMILY FOUNDATION, 2015). As the leading foundation in regional giving, the Walton Family Foundation supports marine conservation in Mexico. In 2012, the Foundation gave over \$27 million USD for marine conservation in the Gulf of Mexico and the Gulf of California as well as for rehabilitation from a major oil spill (WALTON FAMILY FOUNDATION, 2015). Figure 4 provides a summary of foundation grants to Latin America sorted by cause (FOUNDATION CENTER, 2014). Although “health” represented the largest spending category in worldwide global philanthropy; within Latin America, the top causes were: the environment (\$590 million USD, 35%), “international affairs” (\$493 million USD, 29%) (refers to projects between nations and non-state actors to address shared challenges), and health (\$198 million USD, 12%) (SHAH, MUKAL, and McALLISTER, 2012). In the region, Mexico received the most support from U.S. foundations followed by Brazil,

Colombia, and Peru. While global grant making declined during the recession, U.S. foundation dollars directed to Latin and Central America increased. This was because of a single grant of over \$300 USD million from the Walton Foundation to support a project in Mexico (SATO, 2014).

Category / Cause	Dollar Amount Awarded	Percentage of Total
Environment and Animals	\$590,000,000	35%
International Affairs	\$493,000,000	29%
Health	\$198,000,000	12%
Public Affairs / Social Benefits	\$159,000,000	9%
Human Services	\$138,000,000	8%
Education	\$53,000,000	3%
Social Sciences	\$25,000,000	1%
Arts and Culture	\$23,000,000	<1%
Religion	\$12,000,000	<1%
Sciences and Technology	\$10,000,000	<1%

Source: Foundation Center (2014). Based on all grants of \$10,000 or more awarded by a sample of 1,000 larger foundations. Due to rounding, figures may not add up to 100 percent.

Figure 4. U.S. Foundation Giving in Latin America by Issue/Cause, 2010 to 2012

HOW HAS THE RECESSION INFLUENCED GIVING IN BRAZIL?

U.S. foundation funding to Brazil has been erratic during the recession. The graphs in Figure 5 depict funding activity in Brazil between 2006 and 2012—

the total number of grants awarded are visible on the top graph and grant dollars pictured on the lower graph (FOUNDATION CENTER, 2014). During one of the “boom years” of global philanthropy, in 2006, Brazil received only 250 grants valued at approximately \$30 million USD. Somewhat unexpectedly, the number of grants and dollar amount of those awards to Brazil increased during the global recession. In 2008 and 2009, although U.S. private foundations reduced their awards by 8%, Brazil experienced a steady increase in the number of grant awards during these years: the country received 547 grants in 2010. The graph on the right shows dollars awarded and the figures peaked in 2009 (close to \$70 million USD). However, since the number of grants increased, the average dollar per award declined. The graphs in Figure 5 reveal a surprising pattern. When global grant making around the world declined in 2009, in Brazil, the inverse occurred: the Federation saw an increase in the number of grant awards and dollars received.

Based on the available data, it is difficult to project funding trends into the future, but post-recession funding levels or grant awards have not yet approached the highs of 2009-10. At the same time, several reports indicate that giving levels are stabilizing and we view that as cause for optimism. Future research could consider how these international trends compare to funding agencies in Brazil, a landscape that is dominated by charitable giving by the Catholic Church and large, corporate foundations engaged in social responsibility projects (EVANS, 2012, p. 35).

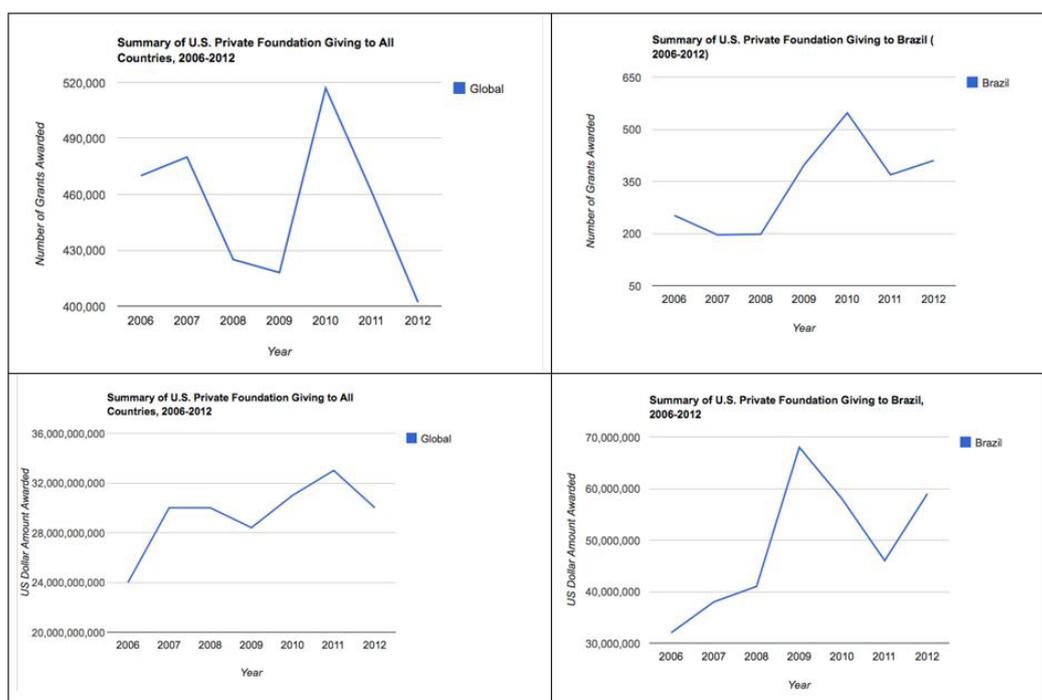


Figure 5. Summary of World-Wide Giving: All Foundations and in Brazil (2006-2012) – GRAPHS

IMPLICATIONS AND FINAL THOUGHTS

We will conclude by considering important trends regarding the grant-making activities of U.S. private foundations in Latin America. One conclusion from the data presented is that, as a region, Latin America is underserved by global philanthropic aid from U.S. private foundations; receiving less than 10% of all charitable aid. There are several reasons for this. For example, the funding interests and missions of U.S. private foundations may not align with regional needs. Second, the lack of a strong centralized NGO infrastructure in Brazil, compared to more established programs in Western Europe, may make the region less appealing to foundations. Third, as the most populated region in the world and an increasingly important geo-political and economic partner, Asian countries—especially China, India, and Japan—are garnering extra attention from U.S. private foundations. Fourth, revised tax policies and new governmental funding restrictions imposed after the September 11th terrorist attacks have made it more difficult for foundations to send money abroad. While these factors partially explain why Latin America receives less support from other regions, we are encouraged that that funding patterns might change in coming years.

U.S. Private Foundations as Partners and Agenda Setters. The annual impact of U.S. private foundations is approaching \$6 billion USD per year, representing only one-fifth of the combined total aid from the U.S. government, international organizations, and businesses. Since they do not possess the greatest financial power, U.S. foundations must gain comparative advantages in other ways. As autonomous, private organizations that do not answer to shareholders, foundations are able to operate quickly and with considerable flexibility. These strategies resulted in two, somewhat contradictory, outcomes. First, there is a growing trend for U.S. foundations to collaborate with international organizations. To get the best return on their investment, U.S. foundations expect grantees to leverage support with other financial resources, such as other sources of governmental aid or corporate partnerships. In this way, foundation funding may flow toward projects and organizations that have previously attracted other investments or are aligned with governmental policy priorities. For example, the Kellogg Foundation directed half of its total giving to Brazil (\$25 million USD) to endow an umbrella NGO (*Fundação de Desenvolvimento da Pesquisa*) to support racial equity and inclusion in northern Brazil (FOUNDATION CENTER, 2015). This organization then manages subsequent smaller grants throughout the country. Kellogg's goals are well aligned with the Federation's agenda to expand college access and graduation rates for

minority, indigenous, and poor students from Brazil's federal universities. This is an example of how a U.S. private foundation partnered to support a highly visible national challenge. Brazil is particularly well situated to capitalize on the international attention generated by both the World Cup and the Summer Olympics. So in this way, Brazil is already "on the world agenda" and in a position to attract more resources and organizations should consider ways to benefit from added attention and global interest.

At the same time that U.S. foundations provide grants to causes that have already garnered financial and political support, their comparable freedom allows foundations to take greater risks and operate with greater independence. Foundations can also serve as the first funding source for an emerging idea. A second recent trend for foundations is to fund innovative experiments that, if successful, can be duplicated in other locations. Foundations can use their discretion to direct attention to a social cause that they perceive has been neglected by the government or other social supports. For example, some of the most significant recent grants from Gates and Ford (each more than a million dollars) have gone to organizations that support women's reproductive health and sexuality—policy areas and outreach that are otherwise ignored in Catholic and conservative Brazil.

Think Beyond and Across Borders. It appears that funded projects are increasingly attracting funds from bi-national or multi-national consortia. Attractive projects offer potential implications for solutions beyond a single geographic location. For example, the Gates Foundation awarded over \$30 USD million to an agriculture project in Mexico to develop a type of corn that might be successfully grown in sub-Saharan Africa (SATO, 2014). Potential grant applicants are advised to consider how their project might prove to have value in other contexts and or to seek international partners to co-apply for grants. Under the "business model" that is popular for many private foundations, the most compelling proposals will explain how their innovations can be successfully implemented in other contexts.

The second border that potential grantees should consider is metaphorical. Many countries, especially in Europe, are rapidly building inventive new development structures—in many cases, creative grant making/investment hybrids ("philanthrocapitalists")—that are likely to play a more significant role in the future of global philanthropy (PETERSEN and MCCLURE, 2011). As a result, grantees ought to think imaginatively about framing their projects in a way that appeals to a new generation of donor. It might prove worthwhile to consider new funding sources in addition to the U.S. private foundations that have long been active in Brazil.

Another area for future research is to consider how these quasi-foundation structures influence international aid.

RECOMMENDATIONS FOR BRAZILIAN RESEARCHERS

Based on our research, we have seven recommendations for Brazilian academics and universities in preparing future grant proposals. First, is the recognition that relative to the rest of the world, private U.S. foundations do not fund Latin American countries as generously as other parts of the world. This suggests foundations may be reluctant to fund projects in Latin America or they could be eager to receive a good proposal from the region. Researching foundations and their priorities before proposing a project is crucial. Potential applicants are advised to contact program directors in advance of submitting a proposal; foundation representatives are often willing to give feedback and guidance on how to frame requests within the parameters of the foundation's mission and guidelines.

Second, in general, in the era of global philanthropy, foundations fund few pure research projects. Further, foundations prefer to fund projects that involve a coalition of groups. This suggests collaborative research/action projects that involve the community have a greater chance of receiving funds. For example, rather than funding solely laboratory research about pollution, a foundation is more likely to support a project that researches pollution and then works with the local community to apply the research. An educational proposal that could attract the attention of a foundation is a university-supported collaborative project with local public schools to develop and test a new curriculum and prepare students for either college or career. Both public and non-profit universities have an advantage in collaborative proposals, since they have the financial and accountability systems to administer the grant. One example of this practice is a 2012 grant from the Ford Foundation that was originally awarded to the Federation of Agencies of Social and Educational Assistance; a portion of this grant was directed to support the Federal University of Goiás (FOUNDATION CENTER, 2015). In order to advance their research agendas while supporting social change, academics are advised to partner with NGOs and governmental agencies that are directly engaged in helping to solve social, environmental, and societal problems.

Third, foundations are eager to fund demonstration projects that can be applied in other locations. If your pollution, agricultural, or educational research projects are relevant to other locations in Brazil, Latin America, or the rest of the world, indicate this in your proposal. Even better, have a letter of support from colleagues who are

eager to put your research to use in another location. As we noted previously, foundations are especially interested in supporting projects that can be transferred to other regions.

Fourth, an examination of the funding priorities from the foundations that are most active in Brazil suggests that projects involving technology, health, education, ecology, and underserved populations were funded in the past. Carefully review the lists of previous projects to determine whether your topic is of interest. Many foundations have large electronic "footprints"—annual reports, websites, lists of Frequently Asked Questions (FAQs), speeches by the donor, and social media entries—to help you learn about their past awards and funding interests. These sources, as well as records available through The Foundation Center, will make the research process easier. Some foundations suggest that you write letter of inquiry to determine if your topic is relevant and whether you meet the award criteria prior to investing time in developing a proposal.

Fifth, now that private foundations have changed their business model, there have been changes in the way proposals are evaluated and the process is very competitive. Potential grant applicants should pay attention to this new scrutiny and adapt their practices. Important to include in the proposal are the problem statement, need for the project, cost-benefit analysis, detailed financial and operational plans, a list of partners, a plan to disseminate results, and ideas about how your findings will be replicated in other locations. If the proposal is written and submitted in English, pay for a native English speaker from the U.S. who is familiar with proposal writing to read and edit the proposal. The Ford Foundation receives approximately 40,000 proposals each year and makes only 1,400 awards—only 3.5% of received proposals are funded (FORD FOUNDATION, n.d.). Proposals that are difficult to read or missing important sections are unlikely to be funded, even if the project is excellent.

Sixth, while our study has emphasized U.S. private foundations, do not overlook other potential sources of funding for your projects. U.S. corporations directly fund some projects through their corporate giving offices. For example, in addition to the Bill and Melinda Gates Foundation, the Microsoft Corporation Contributions Program also provides financial support. If your university is located near the Brazilian office of a U.S. company, you may qualify for funds from this location. Corporations might provide financial resources or provide valuable forms of in-kind support; for example, Microsoft might donate computers for use in educational projects located in community centers. In addition, there is a limited amount of U.S. foreign aid available through the federal government (see ADAMS, 2015, p. 44-76).

Seventh, by hosting the World Cup and Summer Olympics, Brazil has a very high profile. In the coming year, there will be much media attention to the problems facing Brazil, such as pollution, education, equality, and health. Any proposals that deal with these issues may have an advantage, since the world will turn its attention to the country and remember the images – good and bad.

Eighth, President Obama recently created the 100,000 Strong in the Americas Exchange Program, administered through the U.S. Department of State. The purpose of this public/private partnership is to “work with partners in the region to increase the number of U.S. students studying in Latin America to 100,000 and the number of Latin American students studying in the U.S. to 100,000.” The program is coordinated by two organizations. The Partners of the Americas was founded as part of The Alliance for Progress, a government-to-government economic cooperation association founded by former President John F. Kennedy. The second partner is The National Association of International Educators (NAFSA), the world’s largest organization concerned with international education and exchange programs. Individuals and universities throughout the world may join the association. NAFSA regularly publishes requests for proposals and provides opportunities for universities to apply for grants. Faculty members and universities can access these opportunities and register for the Innovation Network using the 100,000 Strong for the Americas Web Site.

Finally, as individuals plan their research and begin to develop a grant proposal, it is very important that authors follow the rules of their university for contacting foundations or corporations. Often, universities have specific protocols for submitting proposals and academics should give these designated offices plenty of time to review and assist you with the proposal before the deadline.

CONCLUSIONS

In this study, we examined U.S. foundations and their funding of projects in Brazil and Latin America. We focused specifically on trends in giving before and during the global financial crisis (2006-2012). We discussed the changing philosophy of philanthropy and reviewed the top ten foundations funding projects in Brazil. Finally, we ended with practical recommendations to academics and proposal writers who plan to submit requests to U.S. private foundations in the age of global philanthropy.

To conclude this article, we offer some thoughts on internationalization of higher education—including both opportunities and implications of global philanthropy. Knight’s (2015) review of internationalization in universities describes three models. The classical model has activities at the home university and at cooperating

universities abroad. While universities design the activities to fit specific institutional needs, these usually include some combination of faculty exchanges, student exchanges, and shared research. Second is the “satellite” model that includes the home university activities at off-campus research and international branch campuses. Third is the “co-founded” model in which universities are created by two or more universities from different countries. Examples of “co-founded” universities are Duke Kunshan University (China), Singapore University of Technology, and Hummed Bin Khalefa University (“Education City”) in Qatar. The classical model has the lowest financial and other risks, while the other two models entail much higher risk for the “foreign” partner (MCRAVEN and SOMERS, in press).

Institutional decisions are made based on unique economic and global realities (de WIT, JARAMILL, GACEL-AVILA and KNIGHT, 2005). Generally, higher education institutions in the U.S. employ traditional internationalization strategies such as study abroad programs, international student admissions, shared research, and an internationalized faculty (CANTU, 2013). The decisions about the model, the partners, and the activities take place at the institutional level with a focus on improving existing opportunities and moving up in the national and international rankings.

By contrast, whereas universities in the United States have a great deal of control over the direction and extent of their international engagement, Brazil has a much more centralized model. Rather than institutional control, the federal government initiates internationalization policies focused on developing human capital abroad, building multinational institutions, and creating international partnerships (SÁ and GRIECO, 2015). While Brazilian universities can develop their own activities, part of the funding is federal and implements specific national goals.

However, foundation policies may affect internationalization at both U.S. and Brazilian universities in the future. For U.S. universities, foundations will likely demand more accountability for outcomes, the participation of multiple partners, and more control over grant-sponsored operation. Absent federal control, universities may experience decreased power in these negotiations. For universities in Brazil, U.S. private foundations may compete with government-sanctioned priorities in determining models and priorities for future internationalization efforts. As a result, Brazilian universities and their U.S. counterparts may have less control over the outcomes and more accountability to the foundations. This is consistent with our finding that U.S. private foundations have much influence and authority in establishing their missions, determining grantees, and setting an agenda for activities at home and abroad.

REFERENCES

- ADAMS, F. **Bilateral aid to Latin America**: foreign economic assistance from major donor nations. Amherst, New York: Cambria Press. 2015.
- ADELMAN, C. Global Philanthropy and Remittances: Reinventing Foreign Aid. **Brown Journal of Foreign Aid**, v. 15, n. 2, p. 23-33, Spring/Summer 2009.
- BARKAN, J. Plutocrats at Work: How Big Philanthropy Undermines Democracy. **Social Research**, v. 80, n. 2, p. 635-652, Summer 2013.
- BROOKS, Chay. "The ignorance of the uneducated": Ford Foundation philanthropy, IIE, and the geographies of educational exchange. **Journal of Historical Geography**, n. 48, p. 36-36.
- BROOKE, N.; WITOSHYNSKY, M. **The Ford Foundation's 40 years in Brazil**: a partnership for social change. São Paulo: Ford Foundation. 2002.
- CANTU, M. P. Three effective strategies of internationalization in American universities. **Journal of International Education & Leadership**, v. 3, n. 3, p. 1-12, 2013.
- CARNEGIE, A. Wealth. **North American Review**, p. 653-664, June 1889.
- CHARLES STEWART MOTT FOUNDATION. Retrieved from: <<http://www.mott.org>>.
- DAVID and LUCILE PACKARD FOUNDATION. Retrieved from: <<http://www.packard.org>>.
- de WIT, H.; JARAMILL, C.; GACEL-AVILA, J.; KNIGHT, J. **Higher education in Latin America**: The international dimension. World Bank Publications. 2005.
- DOBZYNSKI, J. H. Philanthropy. **Carnegie Reporter**, p. 35-43, Fall 2007.
- DOMONKOS, L. H. History of Higher Education. In: GOODCHILD, Lester F.; WECHSLER, Harold S. (Eds.). **ASHE Reader on The History of Higher Education**. Boston, Massachusetts: Pearson Learning Solutions. 1997. p. 1-22.
- EVANS, V. **Grantmaking and foundations for Latin America and the Caribbean (2010-2012)**. New York: Council on Foundations Report for Foundation Center, 2012. p. 1-39.
- FORD FOUNDATION. Retrieved from: <<http://www.fordfoundation.org>>.
- FOUNDATION CENTER MAPS 2.0. 2015. Retrieved from: <<http://maps.foundationcenter.org/home.php>>.
- GORDON and BETTY MOORE FOUNDATION. Retrieved from: <<https://www.moore.org/>>.
- HALL, P. D. A historical overview of philanthropy, voluntary associations, and nonprofit organizations in the United States, 1600-2000. In: POWELL, W. W.; STEINBERG, R. (Eds.). **The Nonprofit Sector: a Research Handbook**. New Haven, Connecticut: Yale University Press, 2006. p. 32-65.
- HAYS, I.; MULLER, S. Questioning generosity in the Golden Age of philanthropy: towards critical geographies of super-philanthropy. **Progress in Human Geography**, v. 38, n. 5, p. 635-653, 2014.
- KNIGHT, J. International universities misunderstandings and emerging models? **Journal of Studies in International Education**, v. 19, n. 2, p. 107-121, 2015.
- MCRAVEN, N.; SOMERS, P. Internationalizing a community college: a view from the top. **Journal of Community College Research and Practice**. In press.
- MICROSOFT CORPORATION CONTRIBUTIONS PROGRAM Retrieved from: <<http://www.microsoft.com/about/corporatecitizenship/en-us>>.
- MOORE, D.; RUTZEN, D. Legal Framework for Global Philanthropy: Barriers and Opportunities. **International Not-for-Profit Law**, v. 13, n. 1-2, p. 5-41, April 2011.
- PETERSEN, A. C.; McCLURE, G. D. Trends in global philanthropy among U.S. foundations: a brief review of data and issues. **The Foundation Review**, v. 2, n. 4, p. 88-100. doi: 10.4087/foundationreview-d-10-00032, 2011
- REICH, R.; WIMER, C. **Charitable giving and the great recession**. Palo Alto, California: The Russell Sage Foundation and the Stanford Center on Poverty and Inequality. 2012.
- SÁ, C.; GRIECO J. International collaboration in Brazilian higher education. **Frontiers of Education in China**, v. 10, n. 1, p. 7-22, 2015.
- SATO, G. **U.S. foundation funding**: Latin America, 2010 to 2012. New York: The Foundation Center, Hispanics in Philanthropy, and Seattle International Foundation. 2014.
- SCHERVISH, P. G. Why the wealthy give: factors which mobilize philanthropy in high net-worth individuals. In: A. Sargeant and W. Wymer (Eds.). **The Routledge Companion to Non-profit Marketing**. Abingham, England: Routledge, 2008. p. 165-181.
- SHAH, S.; MUKAL, R.; McALLISTER, G. **Foundation funding for Hispanics/Latinos in the United States and for Latin America**. New York: The Foundation Center in Collaboration with Hispanics in Philanthropy, 2011.
- SILICON VALLEY COMMUNITY FOUNDATION. Retrieved from: <<http://www.siliconvalleycf.org>>.
- SPERO, J. A. **The global role of U.S. foundations**. New York, New York: The Foundation Center. 2010.
- SPERO, J. A. **Charity and philanthropy in Russia, China, India and Brazil**. United States: The Foundation Center and Worldwide Initiatives for Grantmaker Support, 2014.
- UNITED NATIONS WOMEN'S FUND. Retrieved from: <<http://www.unwomen.org/en>>.
- UPSALL, D. Oh, Pioneers! **Advancing Philosophy**, p. 30-32, Fall 2013.
- WALTON FAMILY FOUNDATION. Retrieved from: <<http://www.waltonfamilyfoundation.org>>.
- WILLIAM and FLORA HEWLETT FOUNDATION. Retrieved from: <<http://www.hewlett.org/>>.
- W.K. KELLOGG FOUNDATION. Retrieved from: <<http://www.wkkf.org/>>.

Submetido em: 22/09/2015

Aprovado em: 28/04/2016