



The Changing Landscape of U.S. Cross-Border Philanthropy Research Brief

The **Changing Landscape of U.S. Cross-Border Philanthropy** report provides an overview of academic literature on U.S. cross-border philanthropy and international partnerships, an analysis of existing data on U.S. international giving, and an analysis of data on the United States Agency for International Development’s Office of American Schools and Hospitals Abroad (USAID/ASHA) applicants and grantees.

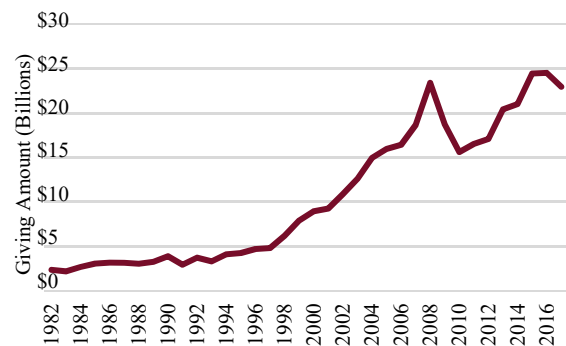
Key Findings

1. Funding sources for nonprofit organizations working internationally have become more diverse in the last decade. International giving by U.S. community foundations has increased to 6 percent of their total grant making in 2014.ⁱ International giving by foundations reached a record high of \$9.3 billion in 2015.ⁱⁱ However, in 2017 overall giving to international affairs, estimated to be \$22.97 billion, declined for the first time since 2010.ⁱⁱⁱ

2. Innovative giving vehicles and opportunities have enhanced cross-border giving. The landscape of global philanthropy is changing rapidly. New instruments, such as impact investing, donor-advised funds, online giving, and crowdfunding are likely to enhance cross-border philanthropy and international partnerships. For example, 9.5 percent of total fundraising of international affairs organizations came from online giving in 2018^{iv} and more than 50 countries joined the #GivingTuesday movement to raise funds through social media and collaboration in 2018.^v

3. Charitable contributions to U.S.-based international organizations increased significantly in the last 30 years. Charitable contributions from U.S. individuals, bequests, corporations, and foundations to international affairs organizations have increased since 1982, except for the years 2009 and 2010, after the Great Recession, and in 2017.^{vi} International giving as a percentage of total U.S. household giving had a steady, modest increase between 2002 (1.0 percent) and 2014 (1.4 percent).^{vii}

Figure 1: Trends in International Giving by U.S. Individuals and Institutions, 1982–2017 (in billions of inflation-adjusted 2017 dollars)



Source: Giving USA Foundation. (2018). *Giving USA: The Annual Report on Philanthropy for the year 2017*. Chicago

4. A country’s philanthropic environment is likely to affect international giving. The environment for philanthropy has shown improvements globally. However, cross-border flows of charitable donations have become more restricted over the past few years in several countries affecting the enhancement of global philanthropy and international partnerships. Data analysis also suggests a positive link between USAID/ASHA funding and the philanthropic environment of the countries where USAID/ASHA’s partner organizations operate.

5. USAID/ASHA grantees tend to have been founded earlier and have more assets and higher revenue than unsuccessful applicants. The data analysis shows consistent patterns in organizational characteristics between USAID/ASHA grantees and unsuccessful applicants between 2015 and 2017. The average founding year for grantees is 1977 compared to 1992 for unsuccessful applicants; the average asset size among grantees is \$603.8 million versus \$401.3 million among unsuccessful applicants; and the average revenue size among grantees is \$296 million compared to \$193.7 million among unsuccessful applicants.

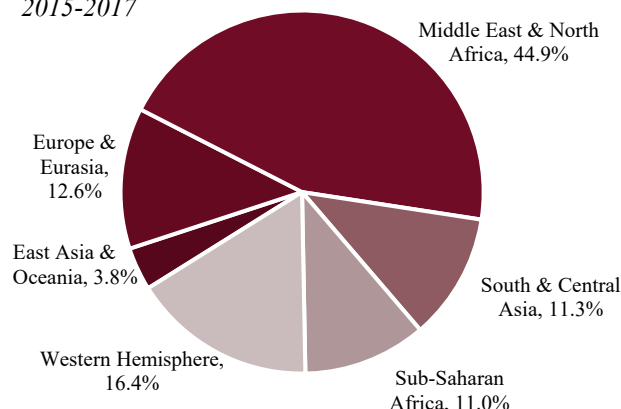
Table 1: Organizational Characteristics of USAID/ASHA Grantees and Unsuccessful Applicants, 2015-2017

	USAID/ASHA Grantees	USAID/ASHA Unsuccessful Applicants
Founding year (by IRS)	1977	1992
Average Assets (million)	\$603.82	\$401.30
Average Revenue (million)	\$296.00	\$193.67

Source: Indiana University Lilly Family School of Philanthropy. (2018). *The Changing Landscape of U.S. Cross-Border Philanthropy*.

6. U.S. nonprofit organizations working in the Middle East and North Africa received nearly 45 percent of the total USAID/ASHA grant dollars between 2015 and 2017. USAID/ASHA partner organizations operating in the Western Hemisphere and Europe and Eurasia received nearly 30 percent of the total grant dollars between 2015 and 2017.

Figure 2: Percentage of Grant Dollars by Regional Distribution of USAID/ASHA Partner Organizations, 2015-2017



Source: Indiana University Lilly Family School of Philanthropy. (2018). *The Changing Landscape of U.S. Cross-Border Philanthropy*.

7. International partnerships have received increased attention with the inclusion of “global partnership” in the United Nations Sustainable Development Goals. In the U.S., particularly in the fields of education and health, international partnerships have long been at the center of organizations’ internationalization strategies. Many of these activities are referred to as “public diplomacy” – a blend of traditional diplomacy’s capacity building efforts with a focus on audiences outside of the state apparatus, such as private-sector corporate initiatives and philanthropic initiatives.

Endnotes:

- ⁱ Ross, N. & Spruill, V. (2018). *Local leadership, global impact: Community foundations and the Sustainable Development Goals*. Arlington, VA: Council on Foundations.
- ⁱⁱ Foundation Center, & Council on Foundations. (2018). *The State of Global Giving by U.S. Foundations: 2011-2015*.
- ⁱⁱⁱ Giving USA Foundation. (2018). *Giving USA: The Annual Report on Philanthropy for the year 2017*. Chicago
- ^{iv} Blackbaud Institute. (2019). *Charitable Giving Report: How Fundraising Performed in 2018*.
- ^v #Giving Tuesday. (2019). *About #GivingTuesday*.
- ^{vi} Giving USA Foundation. (2018). *Giving USA: The Annual Report on Philanthropy for the year 2017*. Chicago
- ^{vii} Indiana University Lilly Family School of Philanthropy. (2018). *The Philanthropy Panel Study*,

The Indiana University Lilly Family School of Philanthropy is pleased to launch the report “*The Changing Landscape of U.S. Cross Border Philanthropy*,” given its commitment to increasing the understanding of philanthropy and improving its practice worldwide through critical inquiry, interdisciplinary research, teaching, training, and civic engagement.

The United States Agency for International Development, USAID and USAID’s Office of American Schools and Hospitals Abroad is proud to support the research on and dissemination of *The Changing Landscape of U.S. Cross-Border Philanthropy* to enhance the public understanding of cross-border philanthropy and foster cross-sectoral and cross-national collaboration among civil society institutions across the globe.