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Large, Private Foundations

PROFILE

Of all the funding sectors that AWID monitors¹, the large private foundations currently create the fewest opportunities for women's rights organizations and movements worldwide. Gender equality is not high on their agendas, and their funding mechanisms are shifting in ways that inhibit access by most women's rights organizations.

Largest foundations in the world (total assets as of the end of 2005)

1. Bill and Melinda Gates Foundation: USD 29.1 billion (prior to Buffett gift)
2. The Wellcome Trust USD 22.5 billion
3. Ford Foundation USD 11.6 billion
4. Robert Wood Johnson Foundation USD 9.1 billion
5. Lilly Endowment USD 8.3 billion
6. W.K. Kellogg Foundation USD 7.3 billion
7. William and Flora Hewlett Foundation USD 7.1 billion
8. Robert Bosch Foundation USD 6 billion
9. David and Lucile Packard Foundation USD 5.8 billion
10. Andrew W. Mellon Foundation USD 5.5 billion
11. John D. and Catherine T. MacArthur Foundation USD 5.4 billion
12. Gordon and Betty Moore Foundation USD 5.2 billion

Decline in Funding for Women's Rights

In 2005, 13% of AWID survey respondents named large foundations as a source of revenue (down from 19% in 2000), including the Ford, MacArthur, Gates, Packard and Hewlett Foundations, Barrow Cadbury Trust and Open Society Institute. Funding for women's rights declined in 2004 to its lowest level since 1999,² USD 329.5 million, less than half of what it was in 2000–01, and combined revenue from large foundations dropped from 20% in 2000 to only 13% in 2005.

Even the Ford Foundation – a steady ally of women's rights, among the top twenty donors since 1995,³ with many feminists on staff – appears to be cutting its allocation to women's rights. Potential new grantees have great difficulty getting in the door, while smaller program-based grants are replacing multi-year core funding to previous grantees. A number of factors are driving this sector-wide decline.

1 AWID surveyed almost 1,000 women's organizations worldwide; reviewed the literature; interviewed donors; and drew insights and recommendations from 300 women's rights leaders and funding allies from 94 countries at the AWID and Semillas Money and Movements meeting in Querétaro, Mexico, at the end of 2006.

2 According to the Funders Network on Population, Reproductive Health and Rights.

3 According to the AWID survey.

Increasing diversity is needed within foundations and in funding for women and girls

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Foundations are going international, but using US-based intermediaries

Giving by US foundations for international purposes reached a record USD 3.8 billion in 2005, a nearly 12% (inflation-adjusted) increase from 2002. (Of this, 49% is spent on health, largely by Gates Foundation programs.) The figures are impressive but in fact less money is going directly to groups overseas. Instead, it flows through US organizations working internationally (mostly INGOs), partly due to caution in the face of strict Anti-Terrorist Financing Guidelines.

Institutional cultures reflect deeper systems of discrimination and patriarchy

At worst, foundations have been characterized as “autocratic, ineffective and wilful, elitist, cloistered, arrogant, and pampered”.⁴ Increasing diversity is needed within foundations and in funding for women and girls; so far, getting more women into leadership positions in philanthropic institutions has not translated into more money for women.

It must be big

These foundations are interested in “scaling up” – funding fewer, larger groups with larger grants. Women's groups are just too small. For foundations this large, million-dollar grants seem more efficient and likely to show a greater impact. The mega foundation phenomenon has huge impact worldwide: driving the AIDS agenda, redefining education in the US and transforming the philanthropic community. Funders like MacArthur say they no longer support HIV/AIDS work because the Gates Foundation does. The US Government removed a small-schools program from its 2007 budget proposal, citing private funding available from foundations as the reason.

“What is the proper role of private wealth in filling social

needs and setting social agendas in a democratic society?..The unprecedented concentration of philanthropic wealth that will be controlled by three people and directed towards their particular understanding of public purposes deserves to be the subject of ongoing scrutiny, discussion and critiques by all those who will be affected by their decisions – which is to say, by all of us.” Bruce Sievers⁵

Large foundations are preoccupied with the technical fix and measurable results

Many grantees are cut out if they can't define or illustrate change fast enough. Programmes may be funded but not the sustainability of the non-profit organization running the programme. Overheads are seen as a bad thing, and grants tend to be short term.

Technical approaches to solve political problems include new seeds, new medicines and new financial services. For example, Gates is heavily investing in getting microbicides to market to stifle the AIDS pandemic, rather than addressing gender inequality and poverty as causes.

While opportunities to mobilize greater resources from this sector appear to be few at the current moment, women's organizations can scarcely afford to ignore foundations in their resource mobilization strategies. Continued engagement and dialogue, where possible, with foundations on the form and focus of their funding is important to further press the case for supporting women's rights.

⁴ The Economist, February 25th 2006, A survey of wealth and philanthropy

⁵ “Questions reporters should have asked about the Buffett donation”, in Alliance, Volume 11, Number 3, September 2006