

**A NEW MANDATE FOR PHILANTHROPY?  
U.S. FOUNDATION SUPPORT FOR  
INTERNATIONAL ARTS EXCHANGES**

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Cultural Diplomacy Research Series



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**I. Introduction**

Since the end of the Cold War, sharp cutbacks in U.S. government-sponsored cultural initiatives overseas have underscored the importance of private foundations in supporting artistic dialogue between the United States and the rest of the world. Globalization, political turmoil and rising anti-Americanism are creating new rationales and a new sense of urgency behind such programs. But how committed are private foundations to fostering artistic interactions with other countries?

This study contrasts grantmaking by leading American foundations in the years 2001 (the most recent year for which comprehensive data were available) and 1990, the first full year after the Cold War.<sup>1</sup> The conclusions are sobering: among the minority of foundations that support the arts, international exchange grants – that is, grants that *directly* encourage artists, productions or arts experts to cross America's borders – rank among the lowest of funding priorities. When measured at the height of American philanthropic activity, total direct grants for international arts exchange programs amount to far less than one percent of foundation disbursements. (Indirect support through general programming grants adds to that figure.) Although the total value of international arts exchange grants has more than doubled in real terms over the past decade – along

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<sup>1</sup> This report received invaluable research assistance from Columbia University graduate students Daniel Oppenheimer and Justino Aguila. For their comments and insights, special thanks to Alberta Arthurs, Olga Garay, Deborah Marrow, Marian Godfrey, Ellen Lovell, Pennie Ojeda, Kevin Mulcahy, Lynn Szwaja, Noreen Tomassi and Margaret Wyszomirski.

with similarly impressive gains in foundation assets – the overall number of exchange grants and their share of the funding pool has remained more or less constant. The scarcity of exchange grants is particularly notable in the Middle East, an area that received only minimal support for qualifying activities in 2001. At a time of lively debate about the uses of “soft power” in promoting America’s values and interests, grantmakers have yet to fully embrace the arts as a means of stimulating a more open and reciprocal engagement with the world.

Even if global tensions weren’t looming large, the muted philanthropic support for international exchanges contrasts with the value of such programs. At the risk of stating the obvious, these activities merit support because they benefit artists (by stimulating their creativity and enhancing their visibility) and because they benefit audiences (by exposing them to other cultures and connecting them to a diverse cultural heritage). For artists, international exposure is an economic lifeline – these days, many dance and music groups earn most of their touring income abroad.

Over the long term, international artistic interactions enhance knowledge and correct stereotypes. They build trust between artists, arts professionals and audiences in different countries, and as a result foster a more open environment for diplomatic and political relations. Exchanges help to tie cultures together, and also exhibit their differences – aims that are equally important, given rising concerns about cultural homogenization. Much is made these days about the value of global citizenship in an interconnected world. Familiarity with other cultures is not just a hallmark of a rounded human existence. It translates into tangible skills and advantages inside an increasingly diverse global economy.

The largest foundations showcased in this study face unique opportunities in the field of international arts exchange. They have the staff and fiscal resources to make a difference in the international arena, and by doing so, they can address growing imbalances in perceptions about American culture at home and abroad. The largest U.S. corporations – including the media conglomerates that overwhelmingly shape America’s image overseas

– have successfully globalized their operations in recent years, boosting America’s popular culture to unprecedented worldwide prominence. Meanwhile, U.S. philanthropy – especially cultural philanthropy – focuses most of its energies at home. As an institutional system, on the whole, the grantmaking sector has yet to embrace the global realities of our time. This has serious consequences for artists and arts organizations that are sustained through nonprofit funding mechanisms. To rethink foundation commitment to arts exchange, then, is an occasion not only to consider a relatively marginal area of support, but also to imagine a new mandate for philanthropy in future years.

## II. A Small Slice of a Big Pie

A snapshot of the philanthropic status of international arts exchanges can be obtained by analyzing the funding decisions of the largest U.S. grantmakers. The research team looked at grants awarded by 49 of the top 50 foundations, by asset size, in the year 2001. (For reasons detailed below, the J. Paul Getty Trust, which ranked fifth in assets, was excluded from the aggregate figures. The J. Paul Getty Trust is an operating trust.) The findings represent the research team’s best approximations of arts exchange funding, based on published annual reports and tax filings.

With combined assets surpassing \$163 billion – more than the GDP of Denmark – the top foundations (excluding Getty Trust assets) command about a quarter of the asset base and total grant allocations of the roughly 62,000 foundations currently active in the U.S. Their combined grantmaking in 2001 surpassed \$7.8 billion.<sup>2</sup> But grants for arts exchanges amounted to a very thin slice of this formidable pie.

*Arts and cultural giving* by leading grantmakers amounted to just over \$545 million in 2001, or roughly 7 percent of their total giving.<sup>3</sup> This represents close to 13 percent of

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<sup>2</sup> The precise number was \$7,843,572,922, amounting to over a quarter of all awarded foundation grants. According to estimates by the Foundation Center, in 2001 the nation’s 61,810 foundations gave \$30,502,000,000. Source: *Foundation Growth and Giving Estimates: 2002 Preview*.

<sup>3</sup> The top foundations devoted approximately 7% of their giving to art and culture, which is generally consistent with the Foundation Center’s findings that “In the weighted sample, the largest foundations allocated approximately 10 percent of their grant dollars to the arts; smaller foundations allocated more than 15 percent.” The Foundation Center’s estimates included grants supporting media and communications. When available, the researchers used numbers provided by the individual foundations,

total arts and culture giving by American foundations in 2001.<sup>4</sup> To put the number in perspective, it was more than five times the 2001 budget of the National Endowment for the Arts.

Total *international* arts giving by the top foundations – encompassing not just arts exchange programs but also operating grants to foreign institutions and \$7.2 million for conservation – absorbed approximately \$46 million. As we home in on support for *international arts exchanges*, we arrive at a more modest figure of \$15.4 million. This sum – distributed among 87 grants – represents 2.8 percent of combined arts grantmaking and less than one fifth of one percent of all grantmaking by top foundations in the year 2001.

Grantmaking in the area of international arts exchanges is *heavily concentrated*. More than \$12.7 million of the funds allocated to the area (82 percent) originated from six institutions: the Duke, Ford, Freeman, Mellon, Rockefeller and Starr foundations. Those six foundations oversaw more than two-thirds of the qualifying grants. The Rockefeller Foundation, long a leader in the field, awarded the highest number of grants (18). The Ford, Starr and Rockefeller foundations were the source of almost three out of every four dollars targeted at international exchange. With its \$6.3 million commitment and its heavy emphasis on Asia, the Starr Foundation was the single largest supporter of arts exchange in dollar terms.<sup>5</sup>

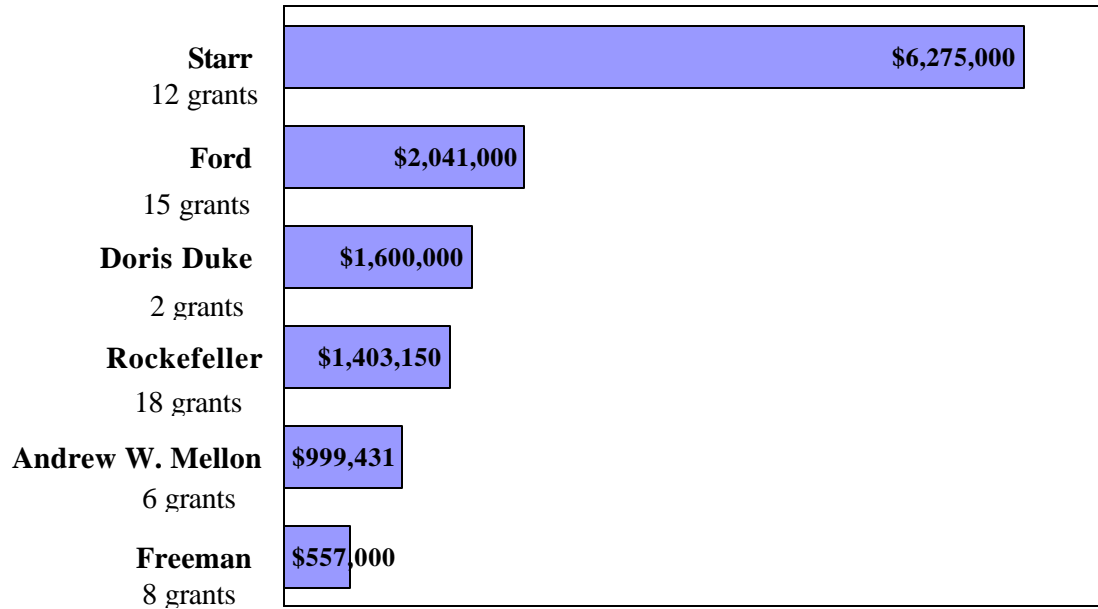
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most of which did not follow the Foundation Center in including “media and communications” within the overall “arts and culture” rubric. When no “arts culture” number was given, media and communications grants were excluded in calculating the totals.

<sup>4</sup> From Loren Renz & Steven Lawrence. *Arts Funding IV: An Update on Foundation Trends*. New York: The Foundation Center in cooperation with Grantmakers in the Arts, 2003, p. xii. Foundation Center estimates are based on a survey of approximately 1,000 larger grantmakers.

<sup>5</sup> Of the Starr Foundation’s support, \$5 million was in the form of two grants, one for \$2 million and another for \$3 million.

**Funding for Arts Exchanges by Major Foundations  
(and number of grants)  
2001**



The J. Paul Getty Trust deserves special mention. The institution's grantmaking and operating programs are tightly interwoven, extending the Getty's commitment to arts exchanges and conservation beyond the support reflected in its grantmaking division. According to the Trust's 2001 annual report, \$18 million of the organization's \$185 million in "program services" was administered in the form of grants. All Getty divisions – including its art museum, its institutes of conservation and research, and its grant program – are involved in international projects, and some residency and fellowship programs embedded within Getty operating units regularly move people across borders. These exchanges within the operating programs are not reported the same way that grants are, making quantitative analysis inequitable. Therefore, the researchers decided to exclude the Getty Trust's activities from the numerical analysis in this report. Nevertheless, when the hybrid of its operating and grantmaking activity is accounted for, the Getty indisputably ranks among the leading U.S. supporters of international arts interactions.

Some smaller foundations that don't rank in the top tier do make significant contributions to arts exchanges. Indeed, larger foundations can look to their specialized counterparts for ideas on policy development when it comes to international programs. The Trust for Mutual Understanding in 2001 awarded grants totaling almost \$4 million for cultural exchanges with Russia and other post-Communist nations. Despite assets of only \$64 million, the Trust's financial commitment to international exchange was second only to the Starr Foundation's (it awarded more exchange grants than the top foundations combined). Foundations endowed by Hungarian-born financier George Soros – there were more than fifty in 2001 – have promoted international cultural activity for over two decades.<sup>6</sup> The bulk of the support was distributed within target countries through regional offices. But Soros grants also helped artists and art experts travel abroad, including to the U.S. Also noteworthy are the regionally specific activities of the Asian Cultural Council and the United States-Japan Foundation, among others. As a general rule, though, support for international work occurs less frequently among the ranks of smaller foundations.

### III. Analytical Criteria

What exactly is understood under the rubric of “international arts exchange?” The scope of this study is limited to *private foundation grants that are designed to facilitate the movement of artists, art professionals, and exhibits either to or from the United States*. For inclusion in the analysis, qualifying grants had to meet the following criteria: (1) the *crossing of national borders* – specifically, the borders of the U.S. – and (2) the prevalence of the exchange motive in the grant award decision. To be included, a grant had to have as its *primary purpose* the introduction of American art or artists to foreign audiences or the introduction of foreign art or artists to domestic audiences. The exchange component couldn't be incidental or accidental to the grant. Money given to a museum for the acquisition of a painting by Goya at auction, for example, would not be considered an arts exchange between the U.S. and Spain. Nor would an exhibit of African

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<sup>6</sup> In 2001, the Soros Foundations collectively gave away \$456 million, more than all but a few American foundations, with the Open Society Institute being the single largest donor within the network (\$139 million).



masks drawn from a museum's permanent collection constitute an arts exchange. Support for arts exchanges between countries outside the U.S. or grants supporting artists or arts organizations abroad did not qualify for the study. It is worth noting that the grants in this report did not necessarily support a two-way exchange. Finally, support for the humanities – academic research, library replenishment, archaeological excavations, etc. – did not meet this study's criteria for *arts* exchange, even if artworks or people crossed national borders.

The commonly used term “arts exchange” falls short of describing the range of grants discussed here. The term “artistic interaction,” used interchangeably throughout this paper, more aptly describes their purpose. By “artists,” we mean visual artists, musicians, actors, architects, dancers, directors, writers, and other such primary creators of art. By “art professionals,” we mean arts librarians, curators, producers, editors and other experts who act as intermediaries or facilitators in the creative process. By “exhibits,” we mean visual art exhibits, film series, installations and other finished artistic products or displays accessible to the general public. It should be noted that the inclusion of art exhibits broadens the definition of arts exchange beyond programs involving travel by people participating in productions and residencies. When it comes to visual art, the relevant artistic engagement with an audience often takes place in the absence of the artist who created the work.

Undeniably, the criteria outlined above narrow the included grants to a subset of total foundation support for international cultural activities (the exclusion of Getty funds further diminished these estimates). Here as elsewhere, classification of the grants required judgment calls. There were many gray areas. Inconsistencies and lack of precise information in the annual reports can make it difficult to capture the full scope of supported exchange activity.<sup>7</sup> Certain kinds of grants may involve an exchange

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<sup>7</sup> The data presented here are chiefly derived from published annual reports. In some cases, 1990 tax filings, which contain a listing of grants, were consulted. In a few cases foundation web sites indicated grants made in 2001, but web sites were considered valid sources only if they claimed to include a full list of grants. Whenever unsure about the comprehensiveness of the listings, researchers looked for corroborating information. The selection of qualifying grants had to contend with some categorization problems. For example, there appears to be no uniform standard among foundations for what constitutes

component but may not be recognizable as such. For example, grantmakers frequently support conferences that result in travel by artists and professionals in and out of the U.S. Such grants may not meet the “primacy of the exchange component” criterion, but they do contribute to the flow of artists and arts experts across borders. Some of the largest foundations devote considerable sums to exchanges that take place entirely outside the U.S., often administered through regional offices – these were excluded from the present analysis, but they do serve the larger aim of international arts interactions. More significantly, these figures do not report on exchange activity generated through endowment building or core budget support to arts organizations. Grants for exhibitions, festivals or the day-to-day work of cultural institutions can underwrite sporadic travel by experts and artists. Such indirect funding streams amplify the total volume of foundation support for arts exchanges, though by how much is hard to say.

Despite these caveats, in most cases the distinctions between arts exchange grants and non-qualifying grants were readily apparent. Some examples from foundation reports:

**Grants that Meet the Criteria:**

The Pew Charitable Trusts gave \$475,000 to Arts International, Inc., “in support of the Fund for U.S. Artists at International Festivals and Exhibitions, a public-private partnership committed to ensuring U.S. participation at international cultural events.”

The Starr Foundation gave \$150,000 grant to the American Friends of the State Hermitage Museum in support of a Louise Bourgeois exhibition at the Hermitage Museum in St. Petersburg, Russia.

**Grants on the Borderline:**

The Luce Foundation gave \$125,000 to support a Patrick Ireland retrospective at the Hugh Lane Municipal Gallery of Modern Art in Dublin, Ireland. Though a native of Ireland, the artist is currently a professor at Southampton College of Long Island University and a former arts media director at NEH, who exhibits his work under a pseudonym. (*The grant was included because the artist is a U.S. resident whose career has evolved in this country.*)

The Wallace-Reader’s Digest Fund gave \$833,333 to the Yerba Buena Center for the Arts in San Francisco “to host four extended artist residencies annually” and for other purposes. One of the four

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“arts funding.” Some grants obviously qualify, but much activity supported by divisions catering to “arts, culture, media and the humanities” doesn’t meet any strict definition of arts support. Some grantmakers are more specific than others about describing their grants, leaving open the possibility that the arts exchange element was overlooked. Annual reports may fail to describe grants made from special funds and presidential budgets, as well as support from matching pledges by foundation staff. There are examples of foundations that gave to the arts but did not analyze their arts giving at all. In the absence of standardized grant reporting guidelines, it may be impossible to fully capture a given category of grant activity. Nonetheless, these irregularities and inconsistencies are unlikely to seriously underreport the overall extent scale of international arts exchange support.

residencies was given to Alonzo King to support his collaboration with dancers from the Central African Republic. (*Excluded because the exchange component was not the grant's primary aim; it was incidental or accidental to the outcome.*)

**Non-qualifying Grants:**

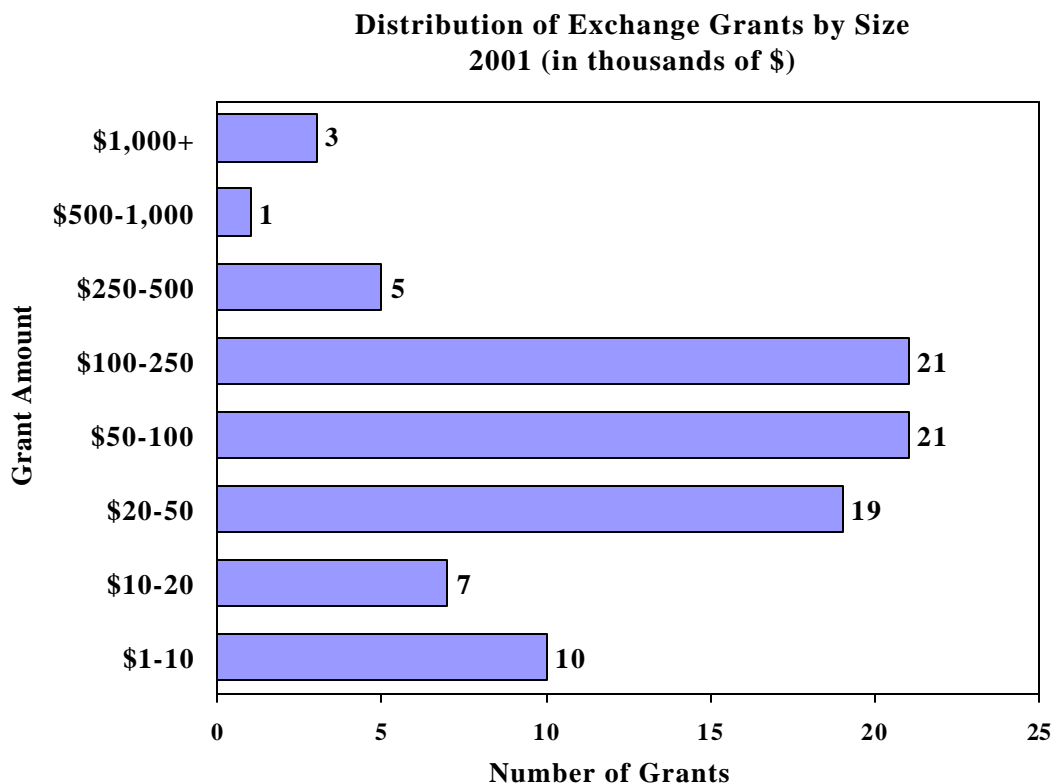
The Heinz Endowment gave \$50,000 to the Friends of Dresden, Inc. for *Dresden, The Bell Tolls For Thee*, a documentary film on the efforts to rebuild the Frauenkirche in Dresden. (*Excluded because, although the production involved travel, the documentary was produced by an American organization primarily for an American audience.*)

The MacArthur Foundation gave a \$75,000 research and writing grant to ethnomusicologist Paul Berliner to support work on *The Heart that Remembers: A Tale of Musicians in a Time of War*, which explores the plight of mbira players during Zimbabwe's struggle for independence and its aftermath. (*Excluded because, though involving travel, the scholarship and its outcome were of an academic nature and destined mainly for an American audience.*)

#### **IV. Profiles of Support**

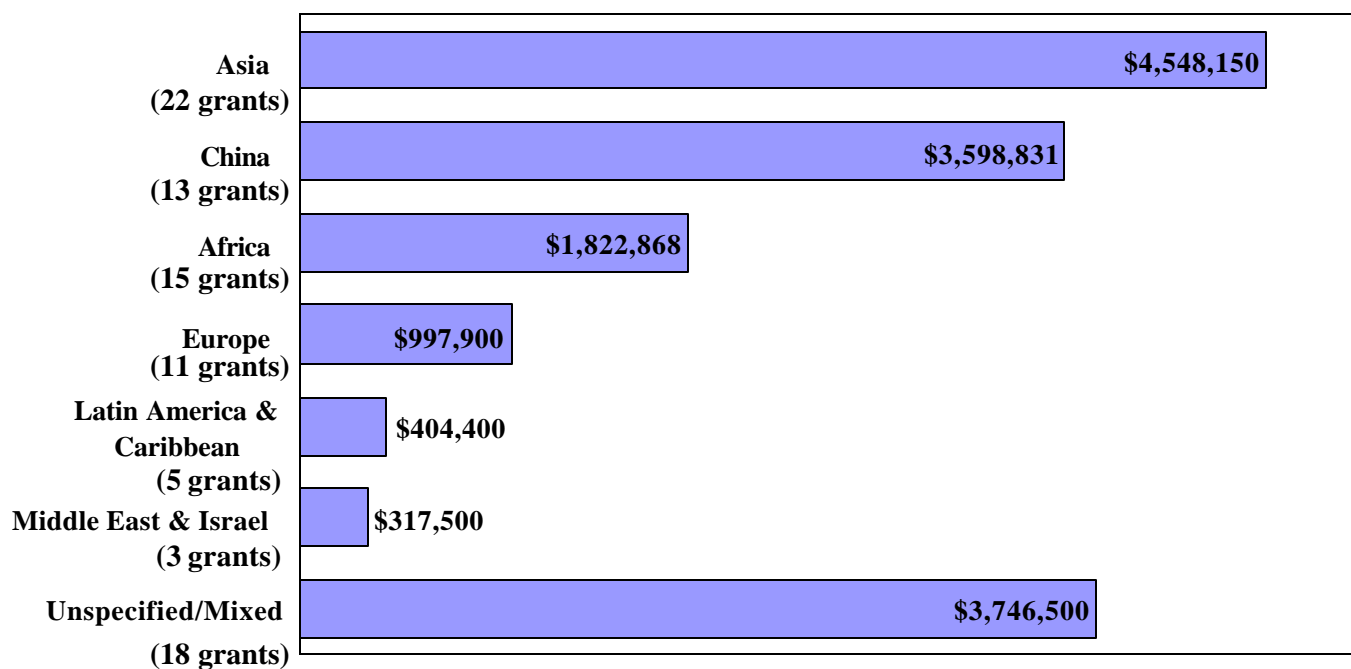
Overall, 87 grants totaling \$15.4 million qualified for inclusion and further analysis in the study. These grants were classified along several characteristics. Although there is no such thing as a "typical" arts exchange grant, it is possible to say, by way of generalization, that such grants tend to be modest, are overwhelmingly directed at developing regions and especially Asia, and they are fairly concentrated in terms of the subsidized artistic genres and organizational recipients.

A. *Size*: The median grant awarded to international exchange in 2001 was \$82,500 (the average was approximately \$175,000). Two-thirds of the grants were for amounts \$100,000 or below. The 57 grants below \$100,000 accounted for approximately \$2.8 million. The nine grants of more than \$250,000 accounted for approximately \$9.2 million of the total (three of them were awarded to Arts International; four of the remaining six were for visual art exhibitions). Two multi-million dollar grants amounted to over one-third of the funds.



B. *Region*: In terms of both the number of grants and total funds awarded, Asia was the leading recipient of arts exchange support in 2001, with China receiving the most. No less than 35 of the 87 qualifying grants – totaling \$8.1 million – were given in support of exchanges with Asia, and 13 were targeted specifically at China. The developing world is the top priority when it comes to foundation exchange programs – more exchange grants involved Africa (15) than Europe (11). However, only three grants focused directly on the Middle East, a region that is currently at the center of discussions about cultural diplomacy. Organizations in the Middle East received \$317,500 of exchange support from top foundations in 2001. Two grants totaling \$235,000 support Arab productions, while one grant for \$82,500 supported a tour by an Israeli presenting organization. (Additional funds may have flowed to the region though re-granting of support extended under other exchange programs, or from general operating support for traveling

**Total Amount Given by Geographic Region  
2001**

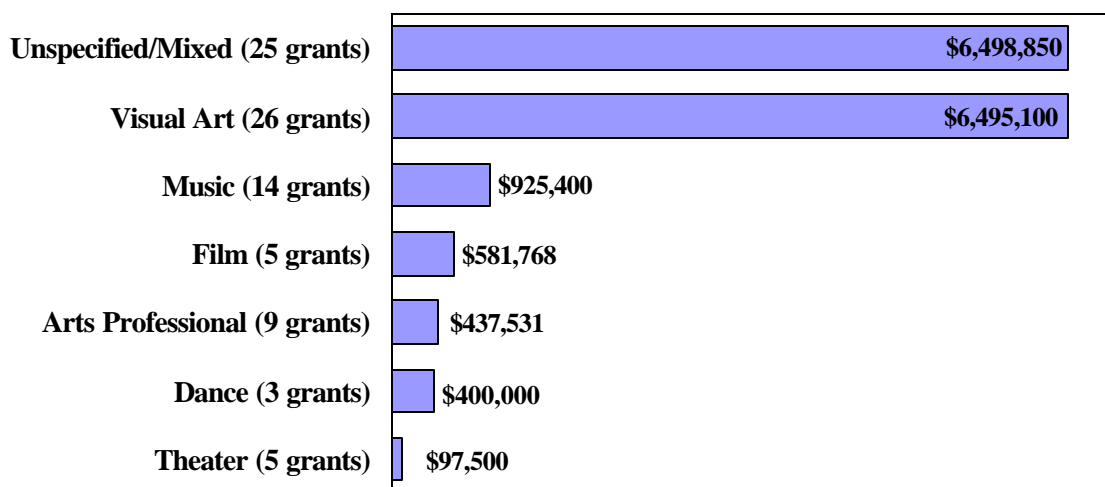


*C. Destination* (incoming or outgoing from the U.S.): Anecdotally, arts exchanges are usually said to favor the “export” of American culture abroad. One oft-cited reason for this perceived imbalance is that foreign countries already subsidize travel by their artists and presenting groups to America, leaving U.S. funders inclined to help American artists gain access to foreign audiences and markets. These impressions may be accurate when it comes to grants for individual travel and residencies, but this study discovered a different pattern, based on an analysis of a broader range of grants. The grants included in this study indicate significant support for art exhibitions entering the U.S. as well as some large incoming travel grants (including a sizable Starr Foundation grant for visiting artists from China), which, taken together, show that foundations provide more support to importing foreign arts and culture than to exporting U.S. culture. Overall, 62 of the 87 qualifying grants – totaling \$10.5 million – brought art, artists or art professionals into the United States. Only 14 grants – with a total value of \$1.7 million – sent Americans or artists or productions abroad. A further 11 grants did not specify the direction of the exchange. It may well be that when it comes to traveling productions and especially

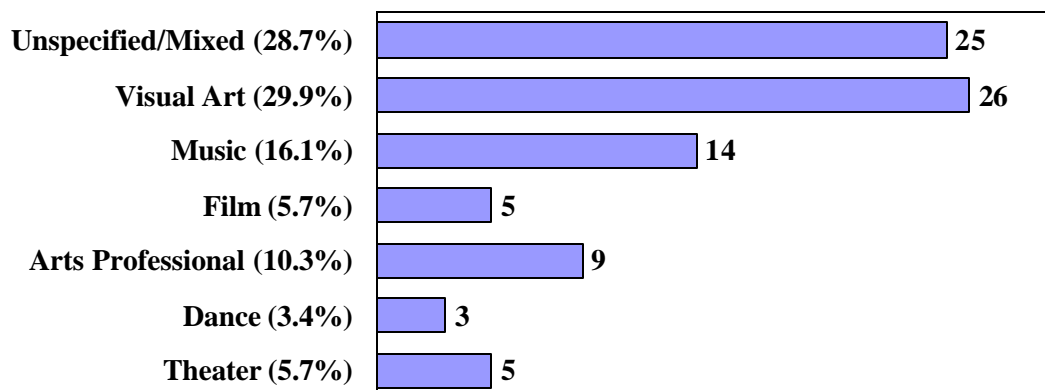
residencies, the “import” orientation is more prevalent. Support for individual travel is also more likely to be supported indirectly from general operating grants.

*D. Discipline:* Close to half of the exchange grants supported activities in multiple media (42 percent of the total). Visual art was the single biggest beneficiary – receiving 26 qualifying grants totaling \$6.5 million – mostly for traveling exhibitions. Theater, music, dance, and grants for professional training, with total combined support of \$1.86 million, shared substantially less support compared to visual arts funding.

**Total Grant Amount by Discipline  
2001**



**Number of Grants by Discipline  
2001**



E. *Recipients*: Larger grantees are more successful in securing exchange subsidies from major foundations. According to a survey by The Urban Institute, “larger organizations are generally more involved in the presentation of international artists than are their smaller counterparts.”<sup>8</sup> The largest recipient in 2001 was New York’s Metropolitan Museum of Art. It received three grants for a total of almost \$3.2 million (most of that went to one exhibition, “Chinese Empire: The First Millennium, Han through Tang”). Arts International, the largest nonprofit organization dedicated solely to international arts activities, received just over \$3 million. Thus, arts exchanges are heavily concentrated not only in terms of funding sources, but also in terms of recipients.

F. *Preservation*: This study tallied foundation support for conservation and preservation separately from grants that underwrite arts exchanges. Conservation activities indicate respect for the artistic traditions of other countries and often involve the export or import of arts experts (in some cases, art objects do cross borders and appear in front of audiences). In 2001, the top foundations, not including the J. Paul Getty Trust, channeled just over \$7.2 million into this area of international giving in the form of 18 qualifying grants – that’s close to half the dollar amount awarded to arts exchange initiatives. Here, too, the field was heavily concentrated. Five foundations – Starr, Brown, the Packard Humanities Institute, Rockefeller, and Ford – disbursed all the grants that met the definitions and criteria of this study, with Packard and Brown responsible for the bulk of the giving. The majority of the grants were destined for Europe; two grants, totaling approximately \$160,000, were for projects in the Middle East (about half of the corresponding arts-exchange figure). However, these commitments were dwarfed by the Getty’s outlays for conservation and preservation, totaling \$29 million in 2001. This figure, however, includes both national and international conservation-related activities, including \$1.8 million specifically for international conservation projects and training

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<sup>8</sup> Mark A. Hager & Thomas H. Pollak. *The Capacity of Performing Arts Presenting Organizations*. Center for Nonprofits and Philanthropy, The Urban Institute, Washington, DC, April 2002, pp. 34-36. Overall, according to the report, 68.2% of the over 800 surveyed organizations present international artists. Size did play a role: 78.6% of organizations with “medium budgets” and 75.9% of organizations with “large budgets” present international artists, in contrast to 53.3% of organizations with the “smallest budgets.” Non-urban organizations, the survey found, weren’t any less likely to present international productions than urban ones.

grants through the Getty Grant Program alone (which awarded more conservation grants than any of the other top foundations), and much larger commitments through the Getty's operating programs. The Getty Conservation Institute and the J. Paul Getty Museum are actively involved in a wide array of international conservation projects and residencies.

## V. Historical Background

Before World War II, international arts programs did not figure prominently among the priorities of American foundations. After the war, when America attained a new visibility overseas and as new international bodies like the United Nations were taking form, some grantmakers decided to become more active abroad. Among the oldest international funders are the Carnegie Corporation, the Ford Foundation and the W.K. Kellogg Foundation. The Rockefeller Foundation, which awarded its first art grants in the 1930s, brought Kabuki artists to New York already in the late 1940s to help restore cultural relations with Japan. Rockefeller remained a widely-emulated leader in the field of arts exchanges through the next several decades, bringing many artists, touring companies and exhibitions to the U.S., especially from the developing world. As private philanthropy became more active in developing America's cultural resources – Ford's groundbreaking cultural investments were launched in the late 1950s – the primary goal was to foster a domestic arts infrastructure in the United States to match that of Europe. Support for arts exchanges didn't proliferate on a wider scale until somewhat later.

Much has been made in the recent literature of covert linkages between private foundations and the CIA, especially in the early Cold War years. In reality, then as now, the preponderance of foundation activity was managed autonomously. Links between CIA funding and specific acts of arts exchange remain cloudy.<sup>9</sup> International travel was

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<sup>9</sup> In her book on Cold War cultural diplomacy and covert programs, Francis Stonor Saunders claims that "The use of philanthropic foundations was the most convenient way to pass large sums of money to Agency projects without alerting the recipients to their source. By the mid 1950s, the CIA's intrusion into the foundation field was massive." While taking note of links between the CIA and the Ford and Rockefeller foundations, Saunders does not list specific examples of arts exchange programs supported by CIA funds. *The Cultural Cold War: The CIA and the World of Arts and Letters*. New York: The New Press, 1999, pp. 134-145.



still a rarity, even for prominent artists. The isolationism of the time certainly precluded intense artistic interactions across the Iron Curtain. But the Cold War did leave a positive legacy – an understanding that culture can be a means of engaging friends and adversaries on the global stage. It was a belief shared by government and private funders that Americans had to be better informed about their antagonists if they wanted to prevail in the ideological conflicts of the day.

Many important arts exchange initiatives date back to the waning years of the Cold War. During the 1980s, as international trade expanded and a geopolitical thaw replaced the isolationism of earlier decades, the amount of international grantmaking doubled, according to some estimates.<sup>10</sup> In 1981, former National Endowment for the Arts Chair Nancy Hanks and other cultural leaders founded Arts International, which over time grew into the largest service organization for international arts exchanges.<sup>11</sup> The Trust for Mutual Understanding was established in 1984 to “promote greater respect between the people of the United States, the Soviet Union, and other countries of Eastern and Central Europe,” specifically through the support of exchange programs in which “direct, professional interaction plays a major role.” The creation of the Fund for U.S. Artists at International Festivals and Exhibitions in 1988 was another milestone. This public-private partnership expanded on an alliance between the NEA and the former United States Information Agency that had been formed to assure adequate funding for high-quality official representation for U.S. artists at international cultural events. The involvement of the Rockefeller Foundation and The Pew Charitable Trusts leveraged the government funds and added transparency to the selection process. Arts International

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<sup>10</sup> The estimates, from the Council on Foundation and the Foundation Center’s 1995 report, *International Grantmaking: A Report on U.S. Foundation Trends*, were widely used, including a 1988 report by Elizabeth Murfee titled “An Assessment of ArtsLink,” an international cultural exchange program between the U.S. and Central and Eastern Europe. As a public-private initiative involving the NEA, the Ohio Arts Council and several private foundations, ArtsLink provides a good example of new efforts aimed at cultural exchanges with America’s former adversaries.

<sup>11</sup> Arts International managed residencies in 21 countries with funds provided in the early-1990s by the Lila Wallace – Reader’s Digest Fund (now the Wallace Foundation). A 1995 Ford Foundation initiative, INROADS, was targeted at performing artists in Africa, Asia and the Americas for collaborations with U.S. counterparts. In 1999 Arts International became an independent organization with \$5 million from the Ford and Rockefeller Foundations. More recently, it has received significant support from the Doris Duke Charitable Foundation.

became the main administrator of the Fund, which has to date spent over \$15 million to send American artists abroad to exhibitions and festivals.

After the fall of the Berlin Wall, several foundations rallied to start new programs in Eastern Europe. In addition to new programs by Ford, Mellon, Pew, the Rockefeller Brothers Fund and other grantmakers, the expansion of the Soros Foundation network and the Trust for Mutual Understanding were especially important developments. But new ties were also being forged to the developing world. The Rockefeller Foundation, for example, resisted expansion into Eastern Europe for fear of reducing its commitments to less developed regions. It continued to support residencies, tours and traveling exhibitions, and in 1991 co-established the U.S.-Mexico Fund for Culture to promote bilateral exchanges south of the U.S. border. This elaborately designed independent body, which relied on close cooperation between Rockefeller and Mexico's National Fund for Culture and the Arts (FONCA) as well as the Bancomer Cultural Foundation (and to a lesser extent, the U.S. government) was a visible example of how government, corporations and private philanthropy can work together to promote international artistic interactions.

The boom years of the 1990s were a time of mixed fortunes for arts exchanges. The rationale for government sponsored cultural diplomacy weakened as public confidence in the private sector's ability to provision all aspects of social activity grew. Much of the existing apparatus for managing cultural programs was gradually dismantled. By 1999 the USIA had been eliminated as an independent agency and its functions absorbed into the Department of State under the purview of the Undersecretary of State for Public Diplomacy and Public Affairs. Most embassy libraries were closed, and so was the Arts America program, which had supported touring productions of American artists in response to requests from U.S. embassies abroad.<sup>12</sup> Henceforth, newly porous borders and modern telecommunications technologies would stimulate cultural interchange, or so it was believed.

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<sup>12</sup> For more on recent developments in cultural diplomacy, see: *Arts and Minds: Cultural Diplomacy amid Global Tensions*, conference transcript. New York: National Arts Journalism Program, Arts International, Center for Arts and Culture, 2003.

Meanwhile, private foundations were enjoying massive gains in their endowments, allowing them to experiment with new programs. The Lila Wallace - Readers Digest Fund (now the Wallace Foundation) launched a major international visual arts initiative. In 1995 the Ford Foundation's Education and Culture Program inaugurated a ten-year initiative called Internationalizing New Work in the Performing Arts, which encouraged artistic collaborations between American performing arts groups and artists from Asia, Africa and Latin America. The year 1998 saw the creation of the Doris Duke Charitable Foundation. The tobacco heiress left a \$1 billion estate and a legacy of interest in world arts, especially modern dance and jazz. Most prescient were Duke's interests in Islamic culture, which were championed by a specialized funding body, The Doris Duke Foundation for Islamic Art. It was all part of a broad rally in foundation giving that was spurred by a soaring stock market. According to estimates by the Foundation Center and the Council on Foundations, total foundation giving jumped by half in real terms between 1994 and 1998, and so did international giving, reaching \$1.6 billion by 1998.<sup>13</sup>

Whereas during the Cold War arts exchange was understood within the framework of superpower rivalry, by the late 1990s foundation executives were becoming concerned about enabling global access to the "information economy" and serving the needs of demographically transforming communities back home. Renewed interest in Asia was

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<sup>13</sup> Loren Renz. *International Grantmaking II: An Update on U.S. Foundation Trends*. New York: The Foundation Center & Council on Foundations, 2000. The survey estimated the growth in overall foundation giving at 56% and in international giving at 51% over four years. Since the rate of total foundation giving grew slightly faster, the proportion of international giving slipped slightly, from almost 12% in 1994 to around 11% in 1998. According to the report, which was based on a sample of over 1,000 foundations, the number of foundations awarding international grants had grown by 20%, to 576, which meant that by 1998 six out of ten foundations awarded some international grants, up from one-half in 1994. Only 26 of the top 100 foundations, however, were found to allocate at least 10 percent internationally. The report mirrored several of the findings in this study, noting that foundations established before 1950 provide more than one-half of international dollars, that overseas giving is highly concentrated, that Asia-related programs were soaring, and that some exceptionally large awards absorbed a large proportion of the giving. The survey reported a surprisingly high increase in international arts and culture giving: the second highest gains, next to human rights, in grant dollars – almost 110% in four years – and a 40% increase in the number of arts and culture grants. It should be noted that estimates of the number of foundations involved in international grantmaking vary significantly. For example, a 1994 internal NEA report titled "Tip-toeing on the Information Super Highway, or International Information Networking," included findings from a review of private grantmakers in 1992 and 1993, which concluded, "Only 1% will consider international projects for support at this time."

connected to both of these developments, as well as fast-expanding trade relations. Once Eastern European and post-Soviet countries stabilized, less attention was focused on those regions. At the same time, Asia, and especially China, became a strategic target for American business, diplomacy and philanthropy. Furthermore, emigrant populations of Chinese, Korean, Vietnamese, Hmong, Khmer and Indian citizens were asserting themselves demographically and culturally throughout America, validating support for programs that gave expression to their cultural heritage.

In the wake of the events of September 11, 2001, and the bursting of the stock market bubble, which has led to a precipitous decline in foundation portfolios, the emphasis in many foundations has shifted back to securing resources for domestic programs. The recent tendency has been to target support more narrowly in geographic terms. The Pew Charitable Trusts phased out most culture initiatives beyond the foundation's home base of Philadelphia. The David and Lucile Packard Foundation has also redirected its giving to its northern California base. Other foundations have considered similar measures, arguing that domestic constituencies require more urgent attention than international ones. Some large foundations, most notably Ford, prefer to address global needs directly where they arise, working through regional offices that address the needs of underserved populations within their target areas. It may be some years before grantmakers can recover their losses and consider reinstating or expanding their international exchange programs.

## **VI. Changes Since 1989**

How exactly have shifts in foundations' financial assets and strategic priorities changed the texture of arts exchange support since the Cold War? While it may be too early to gauge the fallout from the decline in stock values (some multi-year grants have sustained boom-era funding levels through 2002-03), some trends are discernable by comparing 1990 allocations to the 2001 figures discussed earlier. This task was rendered somewhat difficult by the less than uniform availability of 1990 foundation data, and in some cases, the less than thorough standards of grant reporting at that time. Although the data are

more likely to underreport 1990 allocations, some general comparisons can be made. (A list of top foundations in 1990 and 2001 appears at the end of this report).<sup>14</sup>

During the 1990s, the fortunes of leading foundations noticeably improved. Support for international arts exchange grew closely in line with the overall gains in foundation portfolios. Combined assets increased from approximately \$49 billion to \$163 billion (in unadjusted dollars), leading to large increases in combined grantmaking (from \$2.2 billion to \$7.8 billion), arts and culture giving (from \$194 million to \$545 million), and especially, international arts and culture giving (from \$8.5 million to \$46 million). Awards meeting the specified criteria for international arts exchanges totaled \$4.8 million in 1990 as against roughly \$15.4 million in 2001. Even discounting the effects of inflation, these are significant increases. The inflation-adjusted figure for 1990 arts exchanges is \$6.5 million – significantly less than half of the amount reported for 2001.

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<sup>14</sup> For the purpose of the study, as earlier noted, the 49 largest foundations were analyzed. The J. Paul Getty Trust was excluded from this study because of the different manner in which Getty reports grants. However, the Getty indisputably ranks among the leading U.S. supporters of international arts interaction. The list of the top 49 for 1990 was taken from the 1991 Foundation Center Directory, but the data included in this report are from the 1990 grant year, with two exceptions. Because of difficulties in obtaining 1990 individual grant data for analysis, the Mabee Foundation grant data are from 1989 and the Marin Community Foundation's grant data from 1991 (However, their total asset and total giving numbers as listed in the chart on page 16, are from 1990). In some cases, there was less information available in available published foundation reports in 1990 than there was in 2001, so some grants that might have qualified were omitted. Despite these discrepancies, the likely impact on funding trends is negligible.

**Giving by the Largest Foundations  
Comparison: 1990-2001**

	<b>1990</b>	<b>1990 \$'s adjusted for inflation</b>	<b>2001</b>	<b>Percent Change</b>
<b>Total Assets</b>	\$49 billion	\$66 billion	\$163 billion	147%
<b>Total Grantmaking</b>	\$2.2 billion	\$3 billion	\$7.8 billion	160%
<b>Arts &amp; Culture Grantmaking</b>	\$194 million	\$263 billion	\$545 million	107%
<b>Arts &amp; Culture as % of Total Grantmaking</b>	8.8%	--	7.0%	--
<b>International Arts Exchange Grantmaking</b>	\$4.8 million	\$6.5 million	\$15.4 million	137%
<b>International Exchange as % of Arts &amp; Culture Grantmaking</b>	2.5%	--	2.8%	--
<b>International Exchange as % of Total Grantmaking</b>	.22%	--	.20%	--

The positive way to read these findings is that arts exchanges were able to benefit from increases in foundation assets between 1990 and 2001, and they held their ground in the competition between various kinds of grants. A more realistic assessment is that international arts exchanges were no greater a priority in 2001 as in 1990 – as a share of

total giving, they held steady at well under a single percent. They were lifted by the tide of the stock market boom, but in relative terms they remained marginal.

It appears that foundations awarded roughly the same number of qualifying grants in the two analyzed years – 89 in 1990 v. 87 in 2001 – which also means that the average award grew significantly in size (the median inflation-adjusted grant doubled in size to \$82,500 in 2001). There was a steady favorite in terms of most supported genre: the visual arts (traveling exhibitions) dominated in 1990 as well as 2001. In terms of regions, Latin America yielded to Asia by 2001 as the most likely recipient of arts exchange grants.

The sources of giving remained heavily concentrated, but the composition of the leaders changed. In 1990, the Rockefeller Foundation dominated the field, awarding more than twice as many grants and twice as many dollars as the next four grantmakers combined. Rockefeller's awards decreased by 2001, while the Starr Foundation and Ford Foundation significantly augmented their commitments. The Duke Foundation became an important new player, while The Pew Charitable Trusts and the Lila Wallace - Reader's Digest Funds (Wallace Foundation) exited the group of top arts exchange grantmakers.

## **VII. Obstacles and Opportunities**

There is little doubt among foundation experts that the years ahead do not bode well for international programs. America's relations with the world are at their most strained in a generation, but arts exchanges are becoming harder to sustain in foundation terms.

Cutbacks in government funding and operating losses at arts institutions are placing huge demands on private philanthropy. "Political changes at the macro level can also derail the best efforts," notes Olga Garay, program director for the arts at the Doris Duke Charitable Foundation. Difficulties in obtaining visas are placing logistical burdens on cultural exchange programs, both overseas and for U.S.-based arts institutions planning to bring foreign artists into this country. "We hear stories all the time of visas being denied and artists who are being blocked from coming," said Lynn Szwaja, associate director of the Rockefeller Foundation's Arts and Humanities Division. "It has affected presenters and

producers and arts events all over the country.” A recent federal legislative initiative revising calculations for minimum foundation grantmaking quotas may also penalize small foundations engaged in international programs, which absorb a disproportionate amount of overhead.<sup>15</sup> Also of concern are the burdens imposed by the USA Patriot Act, requiring grantmakers to audit and report on overseas grantees. Small foundations do not have the human resources infrastructure and depth of expertise to meet these requirements, and will likely abandon international arts exchange as a result.

Yet even in the relatively tranquil and affluent years of the late 1990’s, foundations had been loath to support international arts exchanges. The institutional culture of philanthropy is partly responsible. Officers often struggle to convince their boards about the merits of overseas grants. International arts grantmaking is not generally seen as an indispensable element of philanthropy because most foundations were established to support local causes. Historically, private grantmakers have kept a domestic focus in their giving in part because foreign relationships were understood to be government’s business. For a sector not otherwise known for adapting swiftly to change, the advent of globalization is still a recent and unfamiliar challenge. Foundations have been slow to take note of new needs and opportunities that emerged in the wake of the downsizing of the U.S. government apparatus for overseas cultural programs.

Tied to these factors, as cause and consequence, is a dearth of skills, contacts and fact-gathering ability that is needed to administer overseas grants. Exchanges require careful monitoring, which is why foundations often look to domestic organizations with 501(c)(3) designations and experienced staffs to manage such programs. Overseas organizations may appear unreliable by American standards, and communicating with them can be difficult. Moreover, foundations must take “expenditure responsibility” (additional due diligence and paperwork for the IRS) for grantees that aren’t 501(c)(3) or

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<sup>15</sup> The Blunt-Ford amendment of H.R. 7, The Charitable Giving Act of 2003, included a provision that would have prohibited private foundations from including administrative expenses as part of their minimum 5% qualifying distributions. All costs other than direct marketing grants to nonprofits would no longer be counted as part of their payout requirements. This provision was dropped in committee in early September 2003, but the bill does include new provisions to deal with concerns about excessive foundation compensation. At press time, the H.R. 7 is being reconciled with the Senate version.



equivalent, which can make international grantmaking fiscally and administratively more cumbersome. Complicated regulations concerning grants to overseas organizations and withholding taxes from visiting artists (originally designed for high-grossing commercial acts) add to the challenge. Arts exchanges “can seem daunting to many foundations,” observes Deborah Marrow, director of the Getty Grant Program. “Our status as an operating foundation helps because the infrastructure is in place. But the procedures can be difficult for funders who are not accustomed to supporting international work on a regular basis.”

Bureaucratic burdens lead to strained resources. Rarely do even large foundations employ more than two or three administrators in their cultural divisions. Because the barriers of entry and the transaction costs are so high, only the largest organizations have the capacity to undertake grantmaking worldwide. Even the Rockefeller and Ford foundations have to be selective about where they are involved. Regrettably, some major foundations that were founded in recent years have excluded arts and culture from their portfolios entirely, directing their vast resources to chronic global problems like disease and illiteracy. Over time, new philanthropists may discover leadership opportunities in the arts. The same is true for some established foundations that have contacts and infrastructure abroad, which could expand their civil society programs and educational initiatives to include more arts-related activities.

Another complication is posed by the advent of “strategic philanthropy” – the need to validate foundation investments through investigating the effectiveness of grant programs. Grantmakers are increasingly concerned about quantifying the results of their cultural giving. But international programs don’t lend themselves readily to “measurable outcomes,” especially in the short term. Nonetheless, program officers are finding creative ways to prove the merits of cross-border arts support. “You can’t count hearts and minds,” said Alberta Arthurs, former head of the Rockefeller Foundation’s Arts and Humanities Division, “but you can count artists who travel; you can count audiences, and you can get their testimonies. You have to argue from the principle that such exchange makes sense, and then look for ways of counting.” Objective rationales certainly exist for

exchanges in communities with significant immigrant populations. Box office receipts can highlight audience interest or the economic yield of touring productions. For Deborah Marrow of the Getty, “some things can be evaluated qualitatively without being quantified.” From time to time, the Getty surveys various groups of its grantees, including those involved in exchanges, to assess the effectiveness of its grants. Lynn Szwaja of the Rockefeller Foundation agrees with this approach. “We need to turn to the companies, the presenters, the audiences – and the artists themselves – who have benefited from the exchange.” Evaluating exchange programs is never easy, Szwaja observed, but foundations “will have to find a way to measure their impact, so we can answer the ‘so what?’ question.”

Even if validation can be found, grantmakers will struggle to earmark resources for arts exchanges, hence the appeal of public-private partnerships. As noted, there is a relevant history of symbiotic relationships between government and philanthropy in the area of international arts exchange. Beyond the obvious advantage of uncorking public funds, such partnerships lend credibility, reach and visibility to exchange work. The Fund for U.S. Artists at International Festivals and Exhibitions was one example of how private funders can leverage government expertise and on-the-ground contacts overseas.

### **VIII. Recommendations**

The opportunity for grantmakers now is not so much to step into the void left behind by the diminution of government-sponsored programs, but to seek out new avenues of collaboration. Foundations could develop new programs with the NEA and the NEH.<sup>16</sup> Identifying a forum for government and foundation leaders to exchange ideas on arts exchange initiatives would be a good start. Federal agencies are available for

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<sup>16</sup> The NEA maintains a dedicated International Program to assist artists and arts organizations seeking to undertake international activities through advocacy, informational services and modest grantmaking. The program has published and updated a resource guide titled *World Arts: The Guide to International Exchange*, which includes listings of funding sources and useful information on managing exchange programs.

collaboration, and are to some extent mandated to do so.<sup>17</sup> Well-respected programs such as the Irex and Fulbright fellowships could be broadened to include a more robust artistic dimension. From the Smithsonian Institution to the Salzburg Seminars to the Art in Embassies Program within the U.S. Department of State, there are many potential launching pads for new partnerships.

The emphasis on the federal government's role has obscured the rarely-studied activities of state arts agencies and regional arts organizations. During the past decade, local and regional funders have stepped up their support of cultural exchange. According to Alberta Arthurs, "The pressure in Washington – whether it's pressure against the NEA or against cultural funding in the State Department – is actually opposite to the movement in states back home, where over the years citizens have built programs for international exchange, have participated in the m, and where money is raised for cultural counterparts to economic efforts to connect with other parts of the world. To look only at the federal government is to miss the point."<sup>18</sup> International programs can be connected to other policy domains. Agencies in charge of trade and education, for example, have large budgets and extensive contacts worldwide, and they might be amenable to adding a cultural dimension to their work.

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<sup>17</sup> As Michael McCarry notes in an essay on public-private exchange partnerships, "The United States Information and Educational Act of 1948, which authorized exchange programs, listed prominently among its objectives 'to increase mutual understanding between the People of the United States and the people of other countries.' The mutuality was not between governments, but between peoples. The act went further. In section 201, it directs the secretary of state wherever possible to 'provide these interchanges by using the services of existing reputable agencies which are successfully engaged in such activity.'" In: "Public - Private Partnerships and the American Exchange Programs: A View from the Field." *Journal of Arts Management, Law, and Society*, 1999, 29(1), pp. 63-69.

<sup>18</sup> According to a 1994 internal NEA report titled "Tip-toeing on the Information Super Highway, or International Information Networking," 37 state arts agencies sponsored "international activities of various kinds" by the mid-1990s. "Some have a formal international program, but most fund the projects through general operating support to organizations or individuals who conduct such activities. Some states co-sponsor exchanges with other state offices or with international organizations such as Partners of America or Sister Cities International. As global communication and international trade agreements continue to make headlines, more and more states interact with entities beyond our national borders." The NEA has been working with state and regional arts associations to build capacity to do international work, most recently in a 2001 workshop, "International Engagement: States on the Global Stage."

Private resources can be further leveraged with help from foreign governments. Indeed, since the arts are heavily subsidized abroad, it is hard to avoid collaborating with international public agencies. Countries like the Netherlands, Germany, France, Korea and Japan already invest large sums in arts interactions with the U.S. Their cultural offices have skills, contacts and enthusiasm to initiate new collaborations, and they operate at an arm's length from their home governments. American foundations would gain from cultivating these relationships.

Another body for consideration is UNESCO. The reentry of the U.S. into the world's leading cultural organization is opening up a new reservoir of opportunities. UNESCO has a large, if somewhat cumbersome, administrative apparatus for managing programs around the world. Its activities are familiar and command respect. Some governments create special funds tied to UNESCO, which can be connected to private foundation resources. For the time being, though, contacts between U.S. arts administrators and UNESCO are sporadic. The organization remains somewhat of a mystery. (The same can be said about the agencies of the European Union.) Here too, regular coordinating meetings could lead to valuable initiatives.

To be sure, foundation officials should be prudent about collaborating with government agencies and international bodies. It is crucial to distinguish between arts philanthropy and cultural diplomacy. State Department programs, for example, are understandably designed to burnish America's image overseas, and sometimes are all too clearly aimed at validating U.S. foreign policy. Foundations should focus on initiatives that stimulate a more organic and reciprocal exchange of art and ideas. Their resources should flow to programs that stimulate independent artistic contacts across borders and build relationships that are not tied to government agendas.

## **IX. Looking Ahead**

How could foundations encourage international arts interactions in the future? "If there was an easy answer to the question of what kind of innovations could spur more

exchanges, it already would have been deployed. But that does not mean we should give up the goal of promoting cultural exchanges,” noted Olga Garay of the Doris Duke Charitable Foundation. Interviews with foundation experts suggest some useful ideas and possible new areas of emphasis.

The most pressing need is to augment the number of exchange programs that support the work of individual artists who wish to pursue creative collaborations in other countries. “We need more fully reciprocal exchanges and more long-term residencies,” said Marian Godfrey, director of the Culture program of The Pew Charitable Trusts. Noreen Tomassi of Arts International advocates collaborations between various types of funders that could lead to “a major program, supported by a consortium of foundations, corporations and public sector partners to help underwrite tours by foreign artists in the United States.” Developing ties to the Islamic world is a special priority,<sup>19</sup> Tomassi added. “Long-term, broad initiatives that can be sustained for at least ten years are the most effective way to build respect and relationships internationally.”

Visas remain a vexing problem. The procedures required for residencies and traveling productions are currently in flux. One possible relief for the delays and backlogs would be a dedicated division in the Bureau of Citizenship and Immigration Services, or other concerned agencies, for granting temporary employment visas for artists seeking to enter the U.S. Also needed would be administrative changes in visa processing that would allow a longer time-frame in which to apply for and receive visas. Foundations can help by supporting publications and workshops that could prepare arts organizations to cope with the new security concerns.

New possibilities may arise from seeking out connections within foundations themselves. Arts exchanges can be linked to programs that cater to education, public health, immigration and other needs. Foundations could accumulate and share more information about the various kinds of institutions that do exchange work. A reliable, up-to-date

resource guide would be valuable for grantmakers and grantees alike. Most needed are timely updates on current initiatives – a kind of “early tracking system,” as one expert put it.

Partnerships with universities would be a logical way to build programs. Universities are already the most international cultural organizations in America, with administrative capabilities to match. They have the capacity to not only host international artists, but also to present their works to the public. University-based performing arts presenters and museums are already active in arts exchanges. All such programs are educational, to various degrees, so it may be useful to combine forces with institutions that know how to contextualize and familiarize the work of foreign presenters.

Experienced foundation administrators have more advice for colleagues who want to explore international work. Among the refrains: Be responsive to the field and structure around those needs. Start small. Look for self-contained, discipline-specific programs. Focus on long-standing commitments, even if they are modest. Above all, make sure you have a passion for the work, because, as one veteran put it, “It’s a hassle.” The challenges involved in managing international programs will test the patience of even the most committed arts funder. But the payoffs are equally abundant.

## **X. Conclusion**

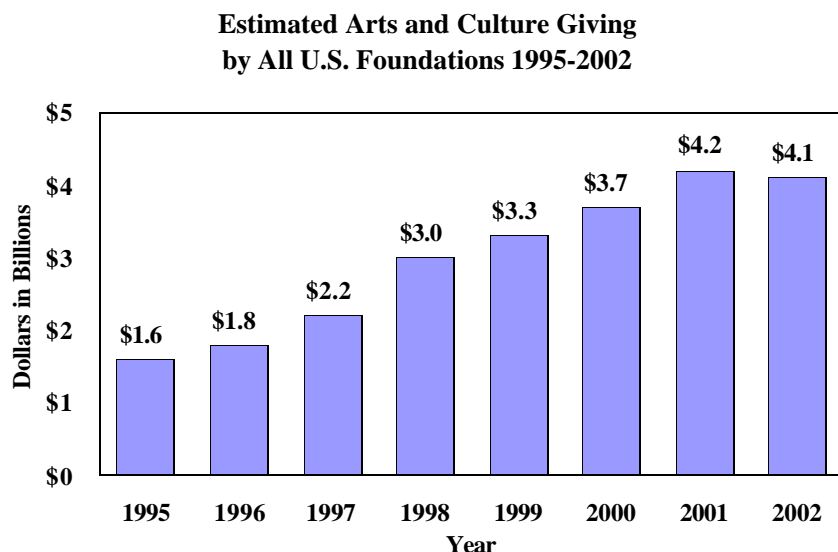
The grantmaking climate has unquestionably worsened since 2001, the year on which the findings of this study are based. According to the Foundation Center and Grantmakers in the Arts, after a doubling of foundation giving to the arts between 1995 and 2001, “estimates for 2002 and beyond suggest that overall foundation giving, including support for the arts, will show reductions for at least the next couple of years.”<sup>20</sup> In 2002 arts and

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<sup>19</sup> The Doris Duke Foundation for Islamic Art is preparing a two-year effort totaling \$4 million, administered through Arts International and the Honolulu Academy of Art for programming and exchange activities in connection with Islamic art.

<sup>20</sup> Loren Renz & Steven Lawrence. *Arts Funding IV: An Update on Foundation Trends*. New York: The Foundation Center in cooperation with Grantmakers in the Arts, 2003, p. xii. The report notes that “among

culture giving dropped by 3.5 percent, outpacing the 0.7 percent decrease in overall giving, which suggests that “arts funding is more sensitive to sharp reductions in foundation resources.” The anecdotal sense in the field is that the 2003 reductions were even more severe.



Source: The Foundation Center, *Arts Funding IV*, 2003. All figures based on adjusted dollars.

As a marginal component of arts giving, international arts exchanges are certainly on the endangered species list. Nevertheless, it is important to realize that support for arts exchanges is ultimately a matter of choice. If the Foundation Center’s estimates are correct, private grant dollars for the arts in 2002 were still 10 percent higher than in 2000, constituting the second highest level on record. The trend since 2001 is negative, but compared to even a decade ago, arts funding levels remain at historic highs. Whether or not foundations choose to invest in arts exchanges will depend not so much on their accumulated financial resources but on their strategic priorities.

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larger foundations, grant dollars for arts and culture grew faster than overall giving between 1995 and 1998 and slower between 1998 and 2001.”

Many artists, policymakers and opinion-makers today have a sense that the world needs to better understand America, and that Americans need to better understand the world. Achieving such understanding will require sizable investments in cultural interactions that can provide a counterpoint to some of the images and values portrayed through U.S. movies, TV and popular music. Similar investments are needed to familiarize American audiences with foreign cultures. The products of America's popular culture industries are widely liked and are sometimes of extremely high quality. Foreign audiences demand them. But they cannot be expected to provide a full reflection of American culture. At home, popular culture products crowd out the nonprofit arts and make it very difficult for the arts of other nations to compete for public attention. American popular culture is thriving, in part because the market-based institutions behind it have gone global. However, American foundations continue to focus their support on domestic cultural activities, while much of the creativity in today's cultural expressions comes precisely from international collaborations and cross-pollinations.

There is a mismatch between the international scope of artistic practices and the domestic emphases of the arts funding system. In practical terms, the outlook for arts exchange support will depend on how soon foundations can replenish their coffers. But now is a good time to reflect and weigh the options. In a world that is yet again polarizing along ideological, even religious lines, it may be up to private foundations to insure that America's cultural relations with other countries remain sensitive, reciprocal and meaningful. Investing internationally may seem like a luxury right now. But the groundwork has been laid, expertise is available, and opportunities abound to develop landmark programs. For foundations to remain a progressive part of America's cultural life, coming to terms with global realities holds the key to long-term relevancy.

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## The Largest Foundations in 1990 and 2001

1990			2001				
	Name	Assets	Total Giving	Name	Assets	Total Giving	
1	The Ford Foundation	\$5,460,896,000	\$238,477,235	1	Bill & Melinda Gates Foundation	\$32,751,466,000	\$1,146,958,000
2	J. Paul Getty Trust	4,333,776,000	N/A	2	Lilly Endowment	12,814,397,581	598,001,581
3	Lilly Endowment	3,633,569,102	228,424,696	3	The Ford Foundation	10,814,696,000	829,190,310
4	W.K. Kellogg Foundation	3,509,461,224	121,974,324	4	The Robert Wood Johnson Foundation	9,044,511,000	270,985,040
5	The Pew Charitable Trusts	3,076,891,792	148,266,430	5	J. Paul Getty Trust	8,793,485,757	N/A
6	John D. and Catherine T. MacArthur Fdtn.	3,077,581,000	115,675,981	6	The David and Lucile Packard Foundation	6,196,520,868	428,897,276
7	The Robert Wood Johnson Foundation	2,914,183,000	76,808,240	7	The William and Flora Hewlett Foundation	6,080,721,309	206,644,271
8	The Rockefeller Foundation	1,971,970,559	74,414,356	8	W. K. Kellogg Foundation	5,530,494,099	200,745,771
9	The Andrew W. Mellon Foundation	1,617,441,434	74,467,370	9	The Starr Foundation	4,781,056,809	245,569,098
10	The Duke Endowment	1,379,271,246	45,667,471	10	The Pew Charitable Trusts	4,338,580,605	192,291,755
11	The Kresge Foundation	1,214,208,974	48,792,000	11	John D. and Catherine T. Mac Arthur Fdtn.	4,215,930,000	167,945,326
12	Robert W. Woodruff Foundation	995,893,546	26,448,375	12	The Andrew W. Mellon Foundation	4,135,567,000	182,321,993
13	Charles Stewart Mott Foundation	929,505,650	33,565,932	13	The California Endowment	3,366,256,100	147,898,000
14	The McKnight Foundation	906,355,455	20,222,172	14	The Rockefeller Foundation	3,211,126,000	126,564,668
15	Carnegie Corporation of New York	845,268,801	44,207,599	15	The Annie E. Casey Foundation	2,592,378,126	153,208,050
16	Richard King Mellon Foundation	836,121,061	31,885,307	16	The Duke Endowment	2,489,158,509	105,192,627
17	DeWitt Wallace-Reader's Digest Fund	761,826,102	42,757,609	17	Charles Stewart Mott Foundation	2,460,169,524	110,829,012
18	W.M. Keck Foundation	726,816,692	45,110,500	18	Robert W. Woodruff Foundation, Inc.	2,422,622,552	142,362,296
19	Houston Endowment	690,962,560	50,583,393	19	The Kresge Foundation	2,415,971,841	123,592,090
20	The Harry and Jeanette Weinberg Fdtn.	652,781,286	21,610,699	20	The Annenberg Foundation	2,354,837,085	132,021,336
21	Howard Heinz Endowment	622,403,561	26,010,352	21	Casey Family Programs	2,349,848,837	422,000,000
22	The Starr Foundation	616,002,007	30,804,045	22	The Harry and Jeanette Weinberg Fdtn.	1,936,263,883	102,534,819
23	Alfred P. Sloan Foundation	612,221,359	28,205,210	23	John S. and James L. Knight Foundation	1,900,829,942	85,569,298
24	The Annie E. Casey Foundation	604,689,144	18,664,394	24	The McKnight Foundation	1,877,703,000	90,791,000
25	Gannett Foundation	598,945,700	15,235,100	25	The New York Community Trust	1,785,215,504	126,621,735
26	Lila Wallace-Reader's Digest Fund	577,279,421	32,252,027	26	Carnegie Corporation of New York	1,711,510,640	56,363,235
27	The Cleveland Foundation	573,012,252	30,487,607	27	Ewing Marion Kauffman Foundation	1,681,000,000	48,276,000
28	The William and Flora Hewlett Foundation	559,793,000	36,978,765	28	Richard King Mellon Foundation	1,661,919,000	58,608,007
29	The New York Community Trust	538,068,954	56,405,847	29	The Freeman Foundation	1,619,093,718	86,714,475
30	John S. and James L. Knight Foundation	522,072,552	23,154,361	30	Robert R. McCormick Tribune Foundation	1,599,796,701	112,048,773
31	The J.E. and L.E. Mabee Foundation	513,568,666	20,812,422	31	Donald W. Reynolds Foundation	1,524,180,441	105,189,603
32	The James Irvine Foundation	506,745,921	21,715,791	32	The Cleveland Foundation	1,499,767,419	62,276,948
33	The William Penn Foundation	492,467,945	29,397,593	33	Doris Duke Charitable Foundation	1,444,832,885	89,200,564
34	Conrad N. Hilton Foundation	492,092,546	24,885,262	34	The James Irvine Foundation	1,378,433,649	59,017,797
35	Marin Community Foundation	482,431,000	21,545,000	35	Houston Endowment	1,367,954,880	71,761,140
36	Robert R. McCormick Tribune Foundation	470,292,080	2,539,486	36	The Brown Foundation,	1,323,153,103	62,446,805
37	Weingart Foundation	446,228,620	26,007,810	37	Alfred P. Sloan Foundation	1,314,367,357	60,842,714
38	Meadows Foundation of/for Texas	429,285,242	15,114,675	38	Wallace-Reader's Digest Funds	1,303,278,360	58,274,675
39	Hall Family Foundations	407,362,996	8,405,595	39	The Packard Humanities Institute	1,302,804,659	68,009,301
40	The Samuel Roberts Noble Foundation	386,415,611	5,477,074	40	W. M. Keck Foundation	1,263,938,000	58,114,418
41	The Edna McConnell Clark Foundation	384,881,000	22,881,559	41	The Chicago Community Trust and Aff.	1,157,517,684	40,141,668
42	The Lynde and Harry Bradley Foundation	374,446,000	25,531,212	42	Marin Community Foundation	1,150,556,205	50,524,713
43	The Bush Foundation	374,239,000	18,934,471	43	The William Penn Foundation	1,047,720,982	65,181,777
44	The Henry J. Kaiser Family Foundation	366,704,733	14,295,966	44	Lumina Foundation for Education	991,267,826	46,960,694
45	The Henry Luce Foundation	363,706,607	28,768,512	45	The California Wellness Foundation	985,910,600	41,727,662
46	The Ahmanson Foundation	338,530,000	18,196,071	46	Walton Family Foundation	948,658,074	102,173,593
47	The Joyce Foundation	319,313,724	14,083,144	47	Kimbell Art Foundation	933,077,515	15,119,680
48	Longwood Foundation	285,709,512	13,812,630	48	The Moody Foundation	926,916,215	620,783
49	The Brown Foundation	285,171,551	18,665,925	49	Howard Heinz Endowment	907,657,792	41,727,662
50	The Moody Foundation	262,664,000	17,859,816	50	The Henry Luce Foundation	905,305,357	43,514,883

Source: The Foundation Center