

International Activities of German Political Foundations and American Philanthropic Foundations: A Comparative Analysis¹

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Abstract. This paper is aimed at investigating the influence of political foundations on the domestic and foreign policies of state and analyzing the place and role of foundations in international relations. The relevance of this topic lies in the expanded use of semi-official and guerilla diplomacy instruments in the foreign policy toolkits of governments, which are widely financed by political foundations. The paper deals with the development of the contemporary political foundations of the United States and Germany, including a comparative analysis of performance features. We introduce a classification of the functions of foundations in the context of international relations. The conclusion is drawn that German political foundations are designed much like a ministry of foreign affairs with the elements of a political party, whereas the typical American philanthropic foundation is run much like a business corporation. German representatives tend to be present on the spot, continuously make contacts and keep track of local developments. Meanwhile, American foundations apply a project-based approach, and aim to create NGOs or partnerships geared towards concrete actions or tasks making claims for international legitimacy. Foundations in Germany and the United States are different in terms of funding models, degree of governmental involvement, scale and methods. Both serve as proxies and commentators of the ideology of the ruling elites, which contributes to the foreign policy aims of their countries of origin. By distancing themselves from official diplomacy and formal legal autonomy (although the programmes of the largest foundations are often consistent with the interests of their home country), foundations have plenty of room for manoeuvre and are thus able to penetrate the society of the target country and influence sensitive areas, such as education, domestic policies, the expert community, the media, etc. A great deal of ties and points of influence on social and power structures of a foreign country are thus shaped “from the inside,” and could be exploited to further the interests of the state of origin of a given foundations. The experience of Western foundations is actively employed by other, including non-Western, states and organizations. A range of tools could be applied to strengthen bilateral and multilateral cooperation within the framework of the Eurasian integration project of Russia according to the principles of mutuality and inclusivity.

¹ English translation from the Russian text: Sutyurin V. 2022. Finansy dlya liberal'nogo poryadka: sravnitel'nyy analiz mezhdunarodnoy deyatelnosti politicheskikh fondov FRG i filantropicheskikh fondov SSHA. *Mezhdunarodnye protsessy* [International Trends], 20(3). P. 55–79. <https://doi.org/10.17994/IT.2022.20.3.70.5>

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A systemic analysis of international relations involves a consideration of the humanitarian, cultural and informational resources of influence. International pressure is often exerted indirectly and in a multifaceted manner through the use of political, economic and humanitarian measures. Often, this process takes on the mundane technocratic nature of “diffusing international norms” and enacting them in national legislation. The more actively transnational expert and professional networks take place in it, the more effective this influence is (Baykov, Crowley-Vigneau 2019). The question then naturally arises: Who creates and manages these networks?

The relevance of this research topic is due to the increased importance of humanitarian influence in international relations – its impact on the domestic and foreign policies of states through public groups and institutions (Sutyurin 2020). States continue to be the main players in international relations, but they are increasingly influenced by non-state (in the formal sense of the word, at least) actors. By the early 2020s, the tools of “semi-official diplomacy” had acquired a significant role in the development and implementation of foreign policy. Much of the scientific literature places non-governmental organizations (NGOs) at the centre of this process (Grincheva, Kelley 2019). Significantly less attention is paid to various kinds of political and philanthropic foundations. Yet they, along with states themselves, act as the main donors for NGOs, indirectly managing many of their projects by formulating conditions for allocating grants and selecting their recipients. There is no generally accepted definition of the concept of a philanthropic foundation. The following criteria are often used to classify organizations as such: they must be non-governmental, non-profit, self-capitalized, run by a board of trustees, and focus on providing common social benefits.²

This article aims to identify the main instruments of influence of philanthropic foundations, determine their place and classify their functions in the context of modern international relations and the foreign policies of states. To this end, we perform a comparative analysis of American philanthropic organizations and German political foundations. We chose organizations that are headquartered in the United States and Germany because they are the largest such groupings in the world, and the most active in the socio-political space. Both countries position themselves as the main transmitters of the Western ideology of liberal democracy, and the foundations act as the leading promoters of this ideology abroad.

² The set of criteria has been well-established in the scientific literature for some time now. See, for example (Weaver 1967: 39). It should be noted, however, that the “universal nature” of the goals of philanthropic foundations is questionable given the interests of the people controlling them.

The empirical data presented in this paper was obtained from the databases of the projects of the largest foundations in the United States and Germany in the period 2011–2021 published on their official websites, annual and financial reports, as well other documents drafted by these organizations, and OECD statistics. The research also included statements from officials and representatives of the respective foundations, scientific publications and expert reports.

Scientific Assessment of the Role of Foundations

The literature on foundations can be divided into three main areas:

1) developmentalism (closely related to the theory of modernization) – foundations are seen as an instrument for development and social innovation that enable less developed countries to move towards the modern Western model. This theory arose in the 1950s–1960s and was vigorously supported by American philanthropic foundations (Youde 2019).

2) the study of hegemony, dating back to the works of Antonio Gramsci – foundations are seen as a tool for legitimizing power groups, the ideological basis of instrument of their power both inside the country and at the international level (Roelofs 2015).

3) the sociological approach – foundations are examined from the point of view of the sociology of knowledge, as a tool for the formation and development of knowledge networks, the production of knowledge and discourse management (Parmar 2002).

These approaches have been used as a basis for carrying out comparative studies of philanthropic foundations (Anheier, Leat 2018) and the effectiveness of the management of such foundations (Anheier, Toepler 2020). Russian experts tend to focus on the study of German political foundations (Pogorelskaya 2009; Ogneva 2011; Lanshina 2014; Bolshova 2014). As for the English-speaking space, a number of monographs that offer a systematic analysis of the role of foundations in the foreign policy of states are worthy of mention, although most of them were published over 40 years ago (Berman 1983; Nielsen 1982; Weaver 1967).

The role of foundations in international relations is the subject of much debate. Some have attempted to settle the issue by contrasting “global civil society,” which includes philanthropic foundations, with governmental and business players (Bek 2007). Emphasizing this point of view, foundations are seen as a “significant and independent force within international relations” (Youde 2019). Another interpretation is based on the concept of the “global agora” (Stone 2013) as a sphere of fluid links across politics, markets, culture, and society (Jung 2019).

Approaching the issue by placing foundations and states in opposition to one another seems rather simplistic. Empirical research suggests that the opposite is true: Germany party foundations, for example, rarely deviate from the official line of the Federal Foreign Office; instead, they complement, or even pre-empt, the Foreign Of-

face's activities (Pogorelskaya 2009). There are also studies into the “symbiosis” between U.S. political foundations and the intelligence agencies (Cumings 2014). Foundations are seen as a “silent partner” of Washington's foreign policy (Shi 2020), or part of the “soft power” of the United States (Parmar, Rietzler 2014).

Perhaps the most productive definition of foundations is that they are intermediaries between various sectors of society and international relations (Moran 2014), as well as “gatekeepers” ensuring the selection and preparation of candidates for national and international elite groups (Roelofs 2003). A number of studies gravitate towards the class approach, seeing foundations as curators of social processes in the interests of Western capital associated with state power, forming a system of “philanthro-capitalism” (Burns 2019).

Any assessment of the socio-political role of philanthropic foundations depends on the researcher's point of view. Optimists argue that foundations provide support for the poor, pluralism, and promote social development (Legitimacy of Philanthropic Foundations 2006). Sceptics point to the fact that foundations lack legitimacy, are not transparent in their actions, serve the interests of narrow groups of trustees, and work to strengthen the position of the Western establishment and block profound social changes (Cunningham 2016). Many researchers note that, despite the rhetoric about the “democratic world,” American foundations support humanitarian interventions and U.S. military operations abroad (Parmar 2014). Others note the role of foundations as constructors of hegemony (Roelofs 2003), world order (American Foundations 2012), and the colonial project (Lipman 2015). More positive assessments of philanthropic foundations point to their role as a “key element” in the system of providing social guarantees (Boesso, Cerbioni, Kumar 2014). Such foundations can carry out functions that complement the state in areas where direct governmental participation is expensive, act as banks for civil society organizations, and provide support for new projects that business and government are not interested in (Anheier, Leat 2013).

Our analysis of scientific approaches brings up the issue of identifying the systemic functions or needs of modern states and elite groups that have allowed foundations to grow in influence in Western countries, with a special niche being assigned to them. To this end, it is important to examine the history of the development of philanthropic foundations.

The History of Foundations

American foundations dominated the international scene after the Second World War. This can be put down to a number of factors: the United States' position as a hegemon in global economics and politics; the global influence of its multinational corporations; the system of tax incentives for foundations that had been introduced; and the significantly smaller social role of the state compared to the European model. The origins of modern American philanthropic foundations can be traced back to the beginning of the 20th century, when they became indispensable for large monopolies

in protecting and legitimizing the fortunes of their owners,³ a necessary component of foreign economic expansion, and a means to stifle revolutionary sentiments in the United States. This marks the beginning of the systemic role of foundations in the country. For example, in 1913, the Carnegie Endowment spent more on education than the federal government did.⁴

Philanthropic foundations were not invented in the United States, however. Forerunners of what we now call philanthropic foundations had existed in Europe for centuries in the form of religious and aristocratic charitable organizations. Unlike the United States, the state continues to play a more significant, sometimes decisive role in the activities of European funds. For example, in France, up to 60% of the total budget of charitable foundations is subsidized by the state at the expense of the taxpayers (Legitimacy of Philanthropic Foundations 2006: 274). Political foundations in Germany are created and financed by the government.

The prototypes of modern philanthropic foundations that emerged in France and Germany in the 19th century were actively involved in international relations. The Friendship Societies and the Humboldt Foundation (founded in 1860) in Germany, and the Alliance Française (founded in 1883) in France were non-profit organizations that actively implemented foreign policy projects in the humanitarian sphere. At the same time, they depended *de facto*, and often *de jure*, on government support and coordinated their activities with their respective foreign offices (Brown 2020: 39). The Second World War brought Europe to its knees economically, and European philanthropic foundations thus fell into decline, losing their hegemony to charitable organizations in the United States. The latter emerged at the beginning of the 20th century at the behest of the country's richest families and were used by them to protect their business interests in the United States and abroad, mainly raw materials projects in Latin America.

The trend towards the gradual nationalization of the foreign policy activities of foundations in the United States appeared during the Cold War and continues to intensify to this day. Specifically, the State Department assumed the bulk of the costs associated with exchange programmes, many of which were originally created with funds from private foundations. In the 1940s–1960s, American philanthropic foundations – the Big Three (Carnegie, Rockefeller, and the Ford Foundation) in particular – were deeply involved in the creation and preservation of U.S. hegemony in this sphere, coordinating their activities with the foreign policy departments. The foundations made up the humanitarian component of U.S. influence in Japan, China and Europe.⁵

³ The Ford Foundation was originally conceived as a tool for the family to maintain its grip on the Ford Motor Company and allow it to avoid paying taxes on 91% of the company's shares. The Krupp Foundation was founded for the exact same reason in Germany. For more, see: (Whitaker 1974: 54).

⁴ Ibid. P. 41.

⁵ As Edward Berman notes, these programmes were designed to promote U.S. foreign policy interests by supporting individual ideas that were consistent with the missions of the foundations and the institutions that produce those ideas (Berman 1983: 3).

In the latter case, Washington actively used foundations to link post-war reconstruction with the task of countering the growing influence of the Soviet Union. The foundations helped export the American model of scientific organization to Europe and reduce the influence of left-wing voices in the sciences through the selective allocation of grants (which European science depended on at the time) and the establishment of institutes of science in Europe to spread “American values” and collect information (Krige 2006).

In the early 1940s, the Rockefeller Foundation was instrumental in the launch of the first agricultural programmes in Latin America, a project that led to the widespread development of hybrid seeds and pesticides. The Rockefeller Foundation’s agricultural programme in Mexico and its joint initiatives with the Ford Foundation paved the way for the Green Revolution in 1960s. In the early 1950s, the ideological and geopolitical motivation for such activity was stated in no uncertain terms.⁶ American philanthropic foundations, while *de jure* independent entities, were *de facto* closely connected in terms of the people who made up their staff with government authorities and were under the supervision of the U.S. Congress – to the extent that special committees were even set up to verify that the foundations were not financing “un-American activities.” Despite this, the informal network of foundation contacts turned out to be a far more efficient instrument for detecting “un-American attitudes” among potential grant recipients than the official structure in Washington (Krige 2006: 150).

American philanthropic foundations have greatly influenced the way that scientific research in the humanities is carried out today, both in the United States and abroad. One example of this is the creation and subsequent export of American approaches in political science, with its emphasis of functionalism and behaviourism (Roelofs 2003). It was with the support of foundations that the theory of modernization was developed, and departments of regional and country studies were established in American and foreign universities.⁷ Young leaders were invited to attend exclusive seminars and take part in prestigious exchange programmes. Priority was given to creating organizations and allocating grants in order to influence academics and the creative classes in Europe. This was done in close coordination with the State Department, and, in a number of well-publicized cases, the U.S. intelligence agencies (Parmar 2012: 120).

⁶ The Rockefeller Foundation’s Advisory Committee for Agricultural Activities concluded: “Hungry people are lured by promises, but they may be won by deeds. Communism makes attractive promises to underfed peoples. Democracy must not only promise as much, but must deliver more.” For more detail, see: Advisory Committee for Agricultural Activities (1951). *The World Food Problem, Agriculture, and the Rockefeller Foundation*. New York. P. 3–7.

⁷ The Social Science Research Council (SSRC), set up and funded by the foundations, played a key role in this, effectively determining the areas of scientific research through its distribution of grants. For example, in the late 1950s, the SSRC, with the support of the Ford Foundation, was developing a theory of modernization, which was essentially an alternative to the theory of developed socialism. The theory was developed at several elite American universities and then exported to Western Europe.

After the Second World War, so-called party-political foundations financed from the federal budget started to appear in West Germany. Formally, the foundations acted as independent organizations, although they coordinated their priorities with the government departments that monitored and assessed their activities.⁸ Initially, they were created for the purpose of political education for democratization in a “semi-sovereign” state (Katzenstein 1978). In the course of building its political system and its various elements, including political foundations, Germany was guided primarily by the experience of the Anglo-Saxon powers. The Friedrich Ebert Foundation was a pioneer in foreign policy. In 1957, it financed anti-communist trade unions in Latin America, with subsidies from the Foreign Office (Pinto-Duschinsky 1991). In the 1960s, foundations used funds from the Federal Ministry for Economic Cooperation and Development to start carrying out political education in foreign countries, becoming part of the German policy of promoting international development. German political foundations were actively involved in the political transformations that took place in Portugal, Spain and Chile (Pogorelskaya 2007; Pinto-Duschinsky 1991).

The collapse of the Soviet Union made the post-socialist space a priority for key American and German foundations. Over the years, the “Western grant economy” (Aksartova 2009) has actually grown, supporting entire sectors of scientific research and public life in the target countries, and hundreds and thousands of non-governmental organizations have been created to exert a humanitarian influence. Foundations played a leading role in the construction and management of this conglomerate in the socio-political sphere.

German foundations started to actively penetrate the region in the waning days of the Soviet Union. Nothing drastic changed in their working methods after 1990, but the opportunities to spread their influence expanded massively due to the emergence of a multi-party system and the fact that the local elites were interested in rapprochement with Germany. German foundations worked tirelessly in the former Soviet republics, exercising political influence indirectly through two primary methods – political education and expert consulting, thus building connections with elite groups and parties.

American foundations placed greater emphasis on direct political influence through various activities and events (protests, media campaigns), as they had far greater resources at their disposal. In the first 15 years after the collapse of the Soviet Union (1990–2004), two American foundations alone (Soros and Mott) cumulatively spent in excess of \$500 million on financing political projects in the countries of the former Warsaw Pact, which is more than the European Union or any European country, second only to the United States itself. American foundations were quick to inter-

⁸ Development Assistance Committee (DAC). Germany. Peer Review OECD Publishing. 2010. URL: <https://www.oecd.org/development/peer-reviews/46439355.pdf> (accessed: 09.05.2021).

vene in the situation in the former Yugoslavia. The George Soros Foundation was particularly active, financing numerous NGOs in the country, and then the International Criminal Tribunal for the Former Yugoslavia (International Tribunal 2012).

The history of the emergence of American and German foundations is thus different: American foundations were created by large monopolists and became an instrument of the establishment for influencing state and society, with which they became closely intertwined, especially in terms of foreign policy; German foundations, on the other hand, were initially set up by the state to influence domestic, and then foreign, social processes.

Functions and Mechanisms of Influence

At present, the budgets of the foreign programmes of the largest American foundations are comparable to the budgets of international development assistance programmes for certain countries (Table 1). To compare: Poland spends between \$100 and \$260 million per year on foreign development programmes; Sweden between \$2 and \$4 billion; and the International Monetary Fund \$1–1.5 billion.⁹

Table 1. Annual Expenditures of Leading American Foundations that Carry Out International Socio-Political Projects (2020), mln. USD

Organization	Budget (mln. USD)
Carnegie Corporation ¹⁰	188
Ford Foundation	1080
Rockefeller Foundation	240
Open Society Foundations ¹¹	1356
MacArthur Foundation	287
Bill & Melinda Gates Foundation	5800

Source: author's calculations based on the financial reports of the organizations.¹²

⁹ Private Philanthropy for Development (CRS). OECD Statistics. 2009–2019. URL: https://stats.oecd.org/Index.aspx?DataSetCode=DV_DCD_PPFD (accessed: 02.06.2021).

¹⁰ The figures here are for the Carnegie Corporation, which funds a number of organizations that also bear the Carnegie name, including the Carnegie Endowment for International Peace, the Carnegie Endowment for the Advancement of Teaching, the Carnegie Institution for Science, and others.

¹¹ Editor's note: On November 26, 2015, the Open Society Foundations was included in the List of Foreign and International Non-Governmental Organizations whose Activities are Recognized as Undesirable in the Territory of the Russian Federation (see: URL: <https://minjust.gov.ru/ru/documents/7756/>).

¹² Using 2020 financial report data published on the official websites of the respective organization. The official financial statements for the Rockefeller foundations for 2020 were not available at the time of the study, so the figure is taken from the 2019 report.

The activities of foundations cover almost the entire range of social issues, although they are primarily geared towards exerting informational and political influence. For instance, the largest philanthropic foundations surveyed by the OECD cited advocacy as their main goal,¹³ including influencing public policy (79%) and changing social norms and behaviour (82%).¹⁴ “Government and Civil Society” is among the three most popular areas of the work of these foundations, second only to healthcare and agriculture in terms of the amount of money pumped into these sectors.¹⁵

In the absence of legitimate oversight and reporting mechanisms, the largest philanthropic foundations in the United States are actively involved in the work of international organizations – from the Council of Europe and the World Health Organization to the United Nations (Lambin, Surender 2021). Such integration is often informal (through intermediary NGOs) and takes place in the form of project financing, something that international organizations need. In this way, foundations receive ample opportunities to influence the agenda of international institutions, being incredibly fast and flexible when it comes to allocating resources.

The long-established foundations, primarily the American “Big Three,” continue to be influential, although the emergence of new donors in the 2000s has caused them to lose their stranglehold somewhat, at least in terms of their expenditures. Chief among the newcomers are the left-liberal George Soros, the right-wing conservative Koch brothers (whose projects are concentrated primarily in the United States), and Bill Gates, whose foundation can be seen as the most ambitious in terms of its international scope. Most of the funds allocated by American foundations go to organizations in the West, and typically those based in the United States. For example, over the past ten year, the Bill & Melinda Gates Foundation has awarded \$11.6 billion in grants to universities, 68% of which went to universities in the United States, and Western universities accounted for 92% of all allocated funds.¹⁶ This makes for a powerful instrument of ideological influence.¹⁷

¹³ Within the framework of this article, “advocacy” is defined as the protection and promotion of public interests (or, as is often the case with philanthropic foundations in the West, the interests of limited groups disguised as public groups that include an unlimited number of people), in contrast to lobbying, which is understood as the protection of private interests. For more on the definition of advocacy and lobbying, see: (Pisarev 2022). Today, advocacy is increasingly carried out through transnational advocacy networks, which combine the politics of persuasion and expertise and involve NGOs, experts, international organizations and diplomats of the interested countries (Mikhailenko 2022).

¹⁴ Private Philanthropy for Development – Second Edition. OECD. 2021. URL: <https://www.oecd-ilibrary.org/sites/cdf37f1e-en/index.html?itemId=/content/publication/cdf37f1e-en> (accessed: 22.12.2021).

¹⁵ OECD Statistics on Private Philanthropy for Development: Highlights from the Latest Data on 2018–19. URL: <https://www.oecd.org/dac/Private-Philanthropy-for-Development-Flyer-2018-19.pdf> (accessed: 22.12.2021).

¹⁶ Funding to universities by the Bill & Melinda Gates Foundation. 2021. URL: <https://www.universityphilanthropy.com/bill-and-melinda-gates-foundation-funding> (accessed: 22.12.2021).

¹⁷ The former director of the World Health Organization’s Malaria Program, Japanese physician Arata Kochi, said back in 2008 that the Bill & Melinda Gates Foundation was “accountable to none other than itself” and that it was “locked up in a ‘cartel’ with their own research funding being linked to those of others within the group [...] each has a vested interest to safeguard the work of the others [and] getting independent reviews of research proposals is becoming increasingly difficult.” For more, see: McNeil D. Gates Foundation’s Influence Criticized. *New York Times*. 16.02.2008.

The operating procedure of the Open Society Foundations¹⁸ is to create an infrastructure of influence parallel to the institutions of power in foreign countries and mobilize social groups to achieve their goals as quickly as possible.¹⁹ It gained notoriety for the part it played in the post-communist transitions in Eastern European countries.²⁰ An analysis of the Open Society Foundations' database of grants issued in 2010–2020 shows that most grants are in the range of \$5000 to \$1 million. As a rule, the money is allocated for a short period of time, typically between one and three years on average,²¹ which can be explained by the strategy of distributing resources to numerous channels at the grassroots level. The use of money is monitored due to the need for grant recipients to submit applications for a short period of time.

The most common types of projects involve setting up centres (in the form of NGOs), providing support for activists, organizing educational events and media campaigns, as investigative journalism into corruption, elections, migrant rights, and gender and LGBT+ issues. For example, in 2020, the Open Society Foundations funded the “involvement of influencers in the fight against disinformation” in the run-up to the 2021 federal elections, as well as the creation of a consortium of Polish NGOs to protect the rights of migrants. Independent watchdogs with varying levels of intervention are widely used. In Georgia, for instance, watchdogs carried out inspections of infrastructure projects in the country in order to identify risks of corruption and noncompliance with EU standards. A database of politicians and their assets was created on the basis of their findings. In Poland, the Open Society Foundations funds an organization that studies the accounts of local authorities in order to make them more accountable.

Cross-financing between funds also takes place. For example, in 2020, the Open Society Foundations awarded a grant to the Carnegie Corporation to explore how citizen activists could use new approaches to counter the digital monitoring strategies of governments, with a focus on digital surveillance and internet shutdown strategies. Much has been written about the Open Society Foundations' support for opposition

¹⁸ For the sake of clarity, we use this name to refer to the many organizational variations that the Open Society has gone through since 1984, when it first appeared on the scene by establishing the Soros Foundation in Budapest in collaboration with the Hungarian Academy of Sciences.

¹⁹ Some date the transition from the old style of philanthropy to the new style of philanthropy in the United States to the 1970s, when foundations were first used on a wide scale as an instrument of inter-party struggle to finance election campaigns, create “think tanks,” and spread propaganda, and as a place for political figures to find employment after losing their posts in elections (Lofgren 2016). In Germany, the formation of the political foundations as international players was just being completed during this period.

²⁰ The model of interaction between the Open Society Foundations and the U.S. government was formulated by Deputy Secretary of State Strobe Talbott (1994–2001), who stated that Soros' policy “is not identical to the foreign policy of the U.S. government – but it's compatible with it. It's like working with a friendly, allied, independent entity [...] We try to synchronize our approach to the former Communist countries with Germany, France, Great Britain – and with George Soros,” who is a “national resource” because “governments have neither the will nor the resources to lead the kinds of initiatives they once did.” For more, see: Bruck C. The World According to George Soros. *The New Yorker*. 23.01.1995.

²¹ The information presented here is taken from the database of grants published on the official website of the Open Society Foundations.

and protest movements involved in regime change (Sussman, Krader 2008). However, tensions with local governments are often exaggerated because the Open Society prefers to operate in countries where governments give it freedom of action. In 2021, a lengthy report on the activities of the Open Society Foundations in 1999–2018 was published (Correa-Cabrera et al. 2021). It found that no significant changes had taken place in the international indicators of democratic governance, freedom of expression, government accountability, and societies that promote justice and equity in the countries in which it operates. At the same time, the study found no evidence that the presence of the Open Society Foundations in a country contributed to the destabilization of countries through protests and large numbers of migrants. The researchers conceded that the impact of philanthropic foundations is often long-term or intangible, or both, and is thus difficult to measure. Additionally, they concluded that the organization “is trying to further open societies in societies that are already open.” This brings them to speculate that there are either elements at play that have not been accounted for, or that, instead of aiming to promote open societies, the Open Society Foundations “assigns its funds to achieve specific political/electoral outcomes in the world with geopolitical or financial intentions” (Correa-Cabrera et al. 2021: 2).

Accusations of the politicization of philanthropy are often heard in the United States, where foundations have long been a factor in domestic political competition. For example, after Donald Trump won the U.S. presidential election, a group of senators sent a letter to Secretary of State Rex Tillerson calling for an investigation into the use of American money by the Department of State and the United States Agency for International Development (USAID) to “support left-of-center political groups and impress left-leaning policies on sovereign nations.”²² The Open Society Foundations is singled out in the letter as a recipient of USAID grants. These funds, according to the senators who penned the letter, are used to support “extreme and sometimes violent political activists,” while the U.S. government works to “marginalize the moderates and conservatives in leadership roles.” The Heritage Foundation, the leading conservative foundation in the United States, published a report in support of the letter (Gonzalez 2017), but nothing came of it.

Trump’s victory in the elections exposed a conflict of values within American society, interwoven with inter-party competition. This confrontation escalated in the run-up to the 2020 presidential elections. At the beginning of the year, George Soros, one of the Democratic Party’s largest donors, said at the World Economic Forum in Davos Forum that Trump was a “conman,” and warned that the American and Chinese leadership posed the biggest threat to “open societies.”²³ Against the backdrop of the pandemic and the large-scale protests across the United States, Trump in turn

²² GOP Senators Call on Sec. Tillerson to Investigate State Department and USAID, US Senate. URL: <https://www.lee.senate.gov/2017/3/gop-senators-call-on-sec-tillerson-to-investigate-state-department-meddling> (accessed: 15.08.2021).

²³ Thomas D. George Soros takes aim at “authoritarian” Presidents Xi and Trump. BBC News. 24.02.2020.

accused the Democrats and Soros of financing the protests.²⁴ In 2020, the Open Society Foundations announced that it would be investing \$220 million into the push for racial justice, including movements such as Black Voters Matter, and grassroots initiatives “to fight voter suppression and disinformation.”²⁵ That same year, Bill Gates called Trump’s decision to suspend funding for the World Health Organization (WHO) amid the criticism of the organization by the Republicans “dangerous.” The Bill & Melinda Gates Foundation – second only to the United States as the WHO’s largest donor²⁶ – announced that it would be giving a further \$150 million to the organization.²⁷

International organizations with legitimacy and influence, but in need of donations, are the preferred partners and channels of influence for foundations. One of the priorities of the Open Society Foundations is its work with the European Union bodies: this position again differs with that of Trump and a significant part of the Republican Party. The Open Society Foundations supports European integration, seeking to influence its content. Its European Policy Institute aims to inform and influence decision-making on EU legislation, policy and allocation of funds so that the values of an open society are at the centre of EU action.²⁸ The Soros Foundation bankrolled the creation of the European Council on Foreign Relations (ECFR) in 2006 with the aim of promoting the Foundation’s principles within the context of EU policy and practice.²⁹ It is active in countries that are readying to join the European Union, using this motivation as a lever of influence. For example, the Foundation’s operations in the Balkans are aimed at bringing the countries of the region closer to EU membership: in Albania, it financed the establishment of a network of young professionals to monitor the integration process; in North Macedonia, it subsidizes projects to bring the civil service and judicial system in line with EU standards.

The relationship between governments and philanthropic foundations was also evident in the case of China, where the Open Society Foundations opened an office in 1986 before closing down three years later amid accusations from Beijing of links with the U.S. intelligence agencies [Nathan, Link 2002: 450–451]. Later, Soros admitted that the decision to open a branch in China was a mistake, since the country “was not ready for it because there were no independent or dissident intelligentsia.”³⁰ This is a telling conclusion, and not only from the point of view of the standard operating procedure of the Open Society Foundations to create structures of influence parallel

²⁴ Trump on Fox News Pushes Conspiracy Theory That George Soros Is Funding Antifa. Haaretz. 06.08.2020.

²⁵ Dzhanova Y. George Soros Foundation Announces \$220 Million Investment in Push for Racial Justice. CNBC. 13.07.2020.

²⁶ Voluntary Contributions by Fund and by Contributor, 2018. World Health Organization. 09.05.2019. URL: https://apps.who.int/gb/ebwha/pdf_files/WHA72/A72_INF5-en.pdf (accessed: 18.10.2022).

²⁷ Forgey Q. Bill Gates Hikes Coronavirus Contribution after bashing Trump for Defunding WHO. Politico. 16.04.2020.

²⁸ Open Society European Policy Institute. URL: <https://www.opensocietyfoundations.org/who-we-are/programs/open-society-european-policy-institute> (accessed: 15.06.2021).

²⁹ Open Society History. Engagement with the European Union. 1999. URL: <https://www.opensocietyfoundations.org/who-we-are/our-history#1999-engagement-with-the-european-union> (accessed: 15.06.2021).

³⁰ Yu M. Inside China: George Soros vs. China. *The Washington Times*. 28.01.2016.

to official institutions. It also confirms the thesis put forward above that the Open Society Foundations can influence socio-political life of the country when the local authorities consider it appropriate or inevitable, giving it sufficient freedom of action. It also confirms the above thesis that the Open Society Foundations can only influence the socio-political life of the country when local authorities consider it appropriate or inevitable and thus give it sufficient freedom of action.

Clashes between the Open Society Foundations and national governments have become more frequent since the 2010s against the backdrop of the waning global dominance of the United States. Starting in early 2016, operations were ceased Russia, Hungary, Pakistan and Turkey. The authorities of Romania, Poland and Macedonia have accused the Open Society Foundations of supporting immigration to Europe and creating societies without identity.³¹ Serbian President Aleksandar Vučić has accused “foreign foundations and the Rockefeller Foundation of trying to overthrow his government” by declaring their support for opposition politicians and environmental protests in the country.³²

The relationship between foundations and the authorities of target countries is not always one of either unlimited freedom or constant conflict. For example, the Ford Foundation has been working in China since the 1970s, forming transnational expert networks for economic reforms. Despite criticism from the United States for its support of certain Chinese policies,³³ the Ford Foundation continues to play an active role in the development and analysis of the Chinese system of international development assistance, collaborating with government organizations in that country. The Foundation’s projects in China include funding research and academic visits to help bring China’s agricultural experience to countries in the global South; internship programmes for Chinese investors; support for institutions studying the energy transition and the initiative to reduce coal use in China; field research to analyse the results of Chinese investment projects; and the development of a platform for China Agricultural University to transfer the country’s development experience to African countries.³⁴ At Peking University, the Foundation funds research into ways to improve the potential of development banks.

At the same time, the Ford Foundation collaborates with the Brookings Institution in the United States to advance “recommendations for the U.S. response to China’s actions that implicate American interests and values” and tools for influencing Chinese

³¹ Soskis B. George Soros and the Demonization of Philanthropy. *The Atlantic*. 05.12.2017.

³² Vučić: Ekonomija mora da nam bude dovoljno snažna i jaka da bismo očuvali mir i stabilnost! URL: <https://www.pink.rs/politika/369623/predsednik-srbije-za-pink-o-aktuelnimdesavanjima-vucic-ekonomija-mora-da-nam-bude-dovoljno-snazna-i-jaka-da-bismo-ocovali-mir-i-stabilnost> (accessed: 08.06.2021).

³³ Rachmuth S. How The Ford Foundation Became an Instrument of Chinese Foreign Policy. *The American Conservative*. 22.09.2020.

³⁴ This information is based on the database of Ford Foundation projects published on its official website.

behaviour.³⁵ The Ford Foundation awarded a grant to the Carnegie Endowment for International Peace to “understand the sources of China’s growing influence in the global South and make recommendations.”³⁶ It also commissions translations of official Chinese documents in order to better understand Beijing’s intentions and capabilities. The Ford Foundation thus occupies a niche as a leading expert on China in the United States, using its first-hand expertise to get a seat at the table when it comes to developing the U.S. policy on China. Given that promoting international development has become key in the global competition between the United States and China, the Foundation is working on an issue that is relevant to Washington’s foreign policy.

German political foundations have significantly fewer resources at their disposal. The total subsidies allocated by the Federal Government of Germany to political foundations in the country for the purpose of promoting international development (effectively all of their international activities) in 2020 amounted to \$387 million.³⁷ The total budget of German foundations for domestic and foreign activities, including administrative expenses, is approximately 670 euros per year (Table 2), which is roughly 50–70% of the funds available to the Open Society Foundations, and more than five times less than that of the Bill & Melinda Gates Foundation. That said, the budgets of the largest German foundations – the Konrad Adenauer Foundation and the Friedrich Ebert Foundation – are comparable to those of large American foundations that carry out socio-political projects (the Rockefeller, Carnegie, MacArthur and other foundations).

Table 2. Annual Expenditures of German Political Foundations (2020), mln. USD

Foundation Name	Affiliated party	Expenditures
Konrad Adenauer Foundation	Christian Democratic Union	195
Friedrich Ebert Foundation	Social Democratic Party	179
Friedrich Naumann Foundation	Free Democratic Party	80
Rosa Luxemburg Foundation	The Left	81
Heinrich Böll Foundation	Alliance 90/The Greens	75
Hanns Seidel Foundation	Christian Social Union in Bavaria	71

Source: author’s calculations based on the financial reports of the organizations.³⁸

³⁵ The Ford Foundation has funded the Brookings Institution’s Global China Project since 2019. Its 2019 characterization of the purpose of the grant is somewhat softer, however: “to assess the risks and opportunities presented by China’s rise.” The subsequent change in the 2021 wording of the grant’s aims may reflect a general paradigm shift in Washington’s perception of China as a “strategic competitor,” rather than a “potential responsible partner,” thus forcing the Foundation to alter its verbiage. For more, see: Ford Foundation Grant Database. Grantee: Brookings Institution, 2019–2021. <https://www.fordfoundation.org/work/our-grants/grantsdatabase/> (accessed: 31.08.2022).

³⁶ Carnegie Foundation Grant Database. Grantee: Carnegie Foundation for International Peace, 2020. URL: <https://www.carnegie.org/grants/grants-database/> (accessed: 31.08.2022).

³⁷ OECD Development Co-operation Peer Reviews: Germany 2021. OECD. 2021.

³⁸ The data is taken from the official websites of the respective foundations. The figures represent the total funding amounts, including administrative expenses, as well as those spent on domestic and international projects. The reports are published on the official websites of the foundations.

Unlike American philanthropic foundations, which are private entities and answer either to a major donor or a small group of trustees, German foundations are associated with parliamentary political parties and the federal government. Despite their more modest resources, German foundations have a global network of representative offices totalling over 300 in 100 countries.³⁹ The Konrad Adenauer Foundation alone maintains offices in 80 countries and runs programmes in 120. At the same time, the foundations are entirely dependent on government funding, with over 90% of their budgets allocated through the Federal Ministry of Economic Cooperation and Development, and other subsidies being provided by the Federal Foreign Office (Adick, Gieseemann 2015: 11).

German foundations have a dual nature. Legally, ideologically and in terms of personnel, each foundation is affiliated with a corresponding political party. Many researchers view foundations as an integral part of German foreign policy (Mohr 2010). At the same time, they are formally seen as independent organizations, autonomous from government bodies with a clear foreign policy identity due to their connection with the parent party. At the official level, Berlin tries to distance itself from sensitive projects that might antagonize the governments of other countries.⁴⁰ The Turkish government, for example, has repeatedly accused German foundations over the past decade of sponsoring the Kurdistan Workers' Party, designated as a terrorist organization by Turkey. The foundations have denied these accusations, while Berlin has remained silent on the issue.⁴¹ At the same time, the Federal Foreign Office has publicly opposed the expulsion of foundations from host countries, which is what happened to the Konrad Adenauer Foundation in Egypt and the United Arab Emirates.⁴²

The influence of the parent party and various government ministries on the foundations' priorities creates a flexible management system without explicit directive control. Svetlana Pogorelskaya points to the example of Spain and Portugal, where foundations act in the interests of the state, their parties and themselves, promoting democratic transition (Pogorelskaya 2014).

The priorities of German foundations are set out in the Joint Declaration on the State Financing of Political Foundations: political education; political research and consultancy for government agencies; scholarships and extra-curricular programmes for talented young people; cultivating art and culture; supporting European unification

³⁹ Hartert-Mojdehi S. German Political Foundations under Observation. *DW*. 30.03.2020.

⁴⁰ The head of the Islamabad office of the Konrad Adenauer Foundation notes that foundations "work in very sensitive terrain": "How would we feel if foreign foundations were advising our parliament? We would also be asking what's going on." For more, see: Hartert-Mojdehi S. German Political Foundations under Observation. *DW*. 30.03.2020.

⁴¹ Fücks R. Germany Turns a Blind Eye to Pressures on Civil Kurdish Opposition. *Hurriyet*. 30.11.2011.

⁴² Hartert-Mojdehi S. German Political Foundations under Observation. *DW*. 30.03.2020.

efforts; Providing development aid to establish democratic, liberal and constitutional structures committed to human and civil rights.⁴³ Foundations also pursue other areas of specialization depending on the ideology of the parties.

While formally independent, the foundations work in constant contact with official structures, including German embassies in target countries (Adick, Giesemann 2015), acting as organizers and intermediaries when it comes to tackling political and humanitarian issues. Relations with governments that Berlin considers to be authoritarian are built by improving the image of these governments in the West in exchange for access to the society of the target country and the opportunity to create an infrastructure through which they can influence the people. For example, the Konrad Adenauer and Friedrich Ebert foundations, having set up platforms for dialogue in Tunisia in the late 1980s, effectively assisted the Ben Ali regime carry out a “façade liberalization.” However, over time, their activities led to the erosion of the foundations of the authoritarian regime, developing patterns of trust with and between political and civil groups (Marzo 2019). A similar logic emerged in 2014–2020 in Belarus, when meetings of the top brass of the Konrad Adenauer⁴⁴ and Friedrich Ebert foundations with representatives of the country’s Ministry of Foreign Affairs, attended by German diplomats,⁴⁵ became the starting point for a series of Track II conferences and forums that were attended by government officials, as well as for visits of Belarusian delegations to the European Union.⁴⁶ The foundations supported events,⁴⁷ organizations and magazines that published articles justifying the need for Belarus to be a neutral country.⁴⁸

The traditional and main function of German political foundations (political education) costs far less than investing in the development of social infrastructure in foreign countries, and paves the way for targeted work with foreign political elites. At the same time, the function of foundations as “exporters” of German values and institutions abroad is clear to see.⁴⁹ German foundations are actively involved in getting countries ready for EU membership. For example, German political foundations allocate grants for inter-party dialogue in target countries involving European experts

⁴³ Joint Declaration on the State Financing of Political Foundations, KAS. URL: <https://www.kas.de/en/joint-declaration-on-the-state-financing-of-political-foundations> (accessed: 06.06.2021).

⁴⁴ Minister of Foreign Affairs of Belarus V. Makei meets Chairman of the Konrad Adenauer Foundation. Ministry of Foreign Affairs of the Republic of Belarus. URL: https://mfa.gov.by/press/news_mfa/e12821b40e597043.html (accessed: 06.05.2021).

⁴⁵ Minister of Foreign Affairs Vladimir Makei meets Stephan Meuser and Peter Dettmar. Ministry of Foreign Affairs of the Republic of Belarus. URL: https://mfa.gov.by/print/press/news_mfa/cd59c0f0f30d121f.html (accessed: 06.05.2021).

⁴⁶ Belarusian Delegation Pays Working Visit to Brussels. Ministry of Foreign Affairs of the Republic of Belarus. URL: https://mfa.gov.by/print/press/news_mfa/c778566e23408684.html (accessed: 06.05.2021).

⁴⁷ Deputy Minister of Foreign Affairs of Belarus O.Kravchenko participates in the Security Policy Workshop. Ministry of Foreign Affairs of the Republic of Belarus. URL: https://mfa.gov.by/press/news_mfa/f29d8b4f1b7b2ce4.html (accessed: 06.05.2021).

⁴⁸ See, for example: Melyantsov D. Situational Neutrality: An Attempt at Conceptualization. Minsk Dialogue. Commentary, 37. 11.12.2019.; Matsukevich P. Neutrality Suits Belarus Best. *IPG Journal*. 09.12.2021.

⁴⁹ Sieker M. 2016. *The Role of the German Political Foundations in International Relations: Transnational Actors in Public Diplomacy* (Doctoral dissertation). University of Nottingham.

and parties that are aimed at forming an inter-party consensus. This all happens before countries are admitted into the Union. They also act as intermediaries in organizing interaction between the government of the target country and Germany (Dakowska 2005). In the 1970s, German foundations were active in the countries of the Iberian Peninsula, promoting democratization with a leaning towards the German model. After the collapse of the Soviet Union, the focus of these activities shifted to Eastern Europe and the Commonwealth of Independent States. For example, foundations worked tirelessly in Poland during the period when new parties were being formed and post-communist parties were being rebranded, with a view to their eventual inclusion in the European party family. The foundations continue to work in the country, even though it has long been integrated into the European Union, reacting flexibly to German foreign policy. For example, following the “eurozone crisis” of 2010, the foundations expanded their presence in southern Europe, especially Greece, promoting German approaches to resolving the crisis and reaching out to key political forces with their projects (Pogorelskaya 2014).

German foundations operation in the same region or country can divide labour in any way they see fit. For instance, in Central Asia, the Konrad Adenauer Foundation supports community groups and organizations in order to establish lasting connections between them and build coalitions. Meanwhile, the Friedrich Ebert Foundation concentrates on building a dialogue between society and government, creating channels for promoting the NGO agenda at the government level (Pierobon 2017).

Foundations cannot intervene in electoral processes directly, but they can provide financial support to partner NGOs, think tanks and experts with connections to local parties, thus strengthening the potential of the latter. Foundations invest resources in working with the youth wings of parties in the target country, organizing educational events for party employees (in media and public relations for example), election campaigns, hands-on experience in the German way of carrying out public administration, leadership training programmes, and educational visits to German. Educational and leadership programmes are among the most powerful tools of influence, as they reveal the ideological and programmatic identity of political parties” (Loaeza 2007: 55). Discussion events can also be used to persuade target audiences, given the right choice of topic, moderators and participants.

Thanks to their deep penetration into various segments of the socio-political sphere, foundations become an important source of political information. They involve experts from target countries in cooperation, which puts them in a position, without stepping beyond the boundaries of what is permitted under the law, to receive expert assessments on topics that are relevant for the foundations themselves, and for German foreign policy as a whole. At the same time, setting up and supporting expert networks in other countries allows foundations to promote German institutions abroad through the exchange of experience. Recent examples include the reforms of Chinese legislation on competition in secondary vocational education, which included

a number of norms borrowed directly from German law. A spokesperson for the Konrad Adenauer Foundation revealed that German experts were consulted during the work on the new legislation and that China “copied a lot from German law.”⁵⁰

The informal nature of many of their activities allows foundations to gather huge amounts of information about the situation in the host country, which is then made available to the relevant government departments in Germany. Foundations thus perform functions in parallel with official diplomacy and, as such, they act as a kind of “second embassy” in the host country. Each fund works with parties and target groups abroad that mostly share the same ideology, which ultimately makes it possible to cover almost the entire political spectrum, including the space occupied by the opposition (Dakowska 2005).

Mechanisms for regular consultations and information exchange have been created between the Federal Ministry for Economic Cooperation and Development and the foundations as part of the implementation of the policy to promote international development,⁵¹ which is dictated not only by political, but also by economic, considerations. A study covering the period 1978–2011 concluded that development aid has a “positive and significant effect on German exports” (Martínez-Zarzoso et al. 2016). For every dollar of German development assistance, there is an increase in the export of German goods in the amount of \$0.83. High-value added industries benefit the most – mechanical engineering, electrical goods manufacturing, and the automotive industry. According to researchers, expanding exports through development assistance policies provides an additional 216,000 jobs or so at German enterprises. There is a noticeable securitization of German aid here: it serves as a form of compensation for the non-participation of the German military U.S. operations, and is also sent to those hotspots where the German military does have a presence (Toganova 2018). The fact that foundations act as “advisers” to the German government in this area increases their ability to influence the policies of target countries.

U.S. and German Foundations: Similarities and Differences

Moving on to a discussion of the differences in the approaches of American and German foundations, let us first summarize our analysis of their history and activities today. Table 3 outlines the key functions of U.S. and German foundations that largely determine their socio-political activities. It essentially serves as a kind of functional matrix of the activities of large Western philanthropic foundations. At the same time, the systems in place for distributing the foundations’ resources among these areas differ significantly, as does their content, and these factors are what determine the identity of the foundation.

⁵⁰ Hancock T. A. Roadmap for China’s Crackdowns Can Be Found in Germany. Bloomberg. 17.08.2017.

⁵¹ OECD Development Co-operation Peer Reviews: Germany 2021. OECD. 2021.

One of the most important common features of American and German foundations is that they are positioned as the leading interpreters and promoters of Western (read: liberal) democratic values, as declared by their states of origin. Their methods may vary: German foundations concentrate more on educational, regulatory and expert activities, while their counterparts in the United States place greater emphasis on organizational and informational functions.

Table 3. Main Socio-Political Functions of Philanthropic Foundations

Function	Description
Organizational	Creating and mobilizing organizations, coalitions and movements, strengthening or marginalizing forces and narratives. Building networks and mediating between government, political, public, commercial and expert organizations.
Informational	Promoting the foundation's agenda and values to society and government bodies through the creation and support of the media, expert networks, events, information campaigns, lobbying and advocacy.
Legislative	Promoting norms and standards, reform programmes, and model laws, providing or assisting foreign governments in obtaining economic and humanitarian assistance for reforms and the "import" of institutions.
Educational	Social engagement, promoting values, standards and norms of behaviour in the society of the target country through educational programmes, exchanges, internships and seminars. Selecting and promoting staff through club structures, industry associations and networks, grants, competitions, and awards.
Expert	Providing support for expert networks, centres of learning, research, and scientific publications. Consulting government agencies and international organizations, creating databases of individuals and organizations for cooperation, obtaining information from a network of sources in the target country, preparing expert reports.

Source: compiled by the author.

In the process of implementing these functions, it is not civil society as such that develops – rather, it is individual organizations, groups, narratives or trends in the socio-political sphere. At the same time, by no means do network (horizontal) connections and relationships in the public sphere deny the existence of a hierarchy. In fact, they can strengthen existing hierarchical relationships, or create new ones. The uneven distribution of resources has meant that transnational expert networks have become a highly exclusive space, being more accessible to rich, Westernized professionals and their agencies (Stone 2010). The competition for grants, patronage and media or political recognition in this space is intense. As large hierarchical structures, foundations help certain grantees move closer to the centre of this multi-layered network, offering resources and access to platforms in exchange for co-optation into their system of priorities. It is here that the state ceases to be the only organizing political centre in the country, as alternative centres emerge around foundations.

Transnational expert networks, which have become an integral element of modern international relations and diplomacy, go far beyond the scope of foundation-sponsored projects. As we have shown, in certain areas, philanthropic organizations seek to be leaders in setting the agenda and forming the picture of the world, or at least monopolize this process. Regarding the activities of foundations, a dilemma arises “as to whether and to what extent highly hierarchical organisms may legitimately exist in an open heterarchical society” (Strachwitz 2015: 826). This is a valid question, since foundations are much larger and have better resources at their disposal, not only compared with NGOs, but also compared with many international organizations that have legitimate status yet accept donations from private sources. As a result, the line between expert communities based on the principles of pluralism and scientific research and advocacy networks created to promote certain attitudes and values, which do not exclude the use of mechanisms of groups pressure and conformity, is blurred.⁵²

Foundations carry out their activities through a number of mechanisms, including the use of group dynamics. The regular interaction between participants at expert discussion platforms, as well as the monitoring of feedback within emerging groups, strengthens the commonality of views and expert assessments. Regular interaction within emerging expert networks, which in practice start to look more like social groups with established values, beliefs and attitudes, with external audiences ensures the legitimization and dissemination of the foundations’ agendas. This mechanism can be used to promote various issues. As a rule, foundations focus on discussing and finding solutions to issues of human rights, political participation, gender and identity, international relations and conflicts, education, economics, the environment, and healthcare. Just how objective, balanced or distorted the discussions of these issues are depends on the goals of the organizers, and how much say they have in the formation of these expert groups.

Effectively, what we are talking about here is transferring policies, institutions, ideologies, attitudes and ideas to other countries, while taking negative experiences into account. This transfer can be either forced or voluntary, but the line between these concepts is sometimes blurred. For example, in addition to the neutral term “diffusion of norms,” researchers also use “forced conformity” through the penetration of political actors into the country (Bennett 1991).

Unlike American foundations, German foundations are formally associated with the parties and the state that provide the funding, and are more closely coordinated with the official German policy. We have already noted that American and German foundations have a global presence. However, they achieve this in different ways. For

⁵² A former Open Society Foundations employee noted that the organization “seeks to provide the conceptual language, the normative paradigms, the empirical examples that then become the accepted assumptions for those making policy [...] [the Open Society Foundations] subsidizes various experts and intellectuals to inform professional or bureaucratic audiences” (Stone 2010: 281).

example, the Bill & Melinda Gates Foundation employed 1600 people in 2021, as did the Konrad Adenauer Foundation, although its budget is tens of times smaller. At the same time, the Bill & Melinda Gates Foundation has nine offices around the world, comparable to the Rockefeller Foundation's five; meanwhile, the Konrad Adenauer Foundation operates 80 offices. To put it bluntly, German foundations operate like its Foreign Office, while the typical American foundation is run like a business corporation (the exception is the Open Society Foundations, which has offices in 37 countries). For Germany foundations, it is important to be present on the ground, establish contacts and constantly monitor the situation. Americans, on the other hand, are focused on implementing projects, creating NGOs or partnerships for specific tasks under the guise of international legitimacy, often for the benefit of big business.

German foundations are in it for the long haul, unlike their American counterparts, who want to see results quickly and “calculate the effectiveness” (if only in the formal sense) in each specific case of intervention. The experience of German foundations before reunification shows that they, as a rule, do not aim to dismantle the system entirely. Rather, they are focused on gradually transforming it in accordance with their interests and values through the social engagement of the elites and the export of German institutions. In other words, they employ methods of indirect control and soft power.

Philanthropic foundations in the United States often focus on organizing and supporting “direct action” and activism; the creation of institutions is often preferred to the cultivation and mobilization of groups in order to put pressure on public and state institutions, including through media structures (Loaeza 2007: 55–56). German foundations, due to their goals, experience and limited resources, are focused on working with the elites, while the reach of American foundations stretches further to encompass, in addition to the elites, broader layers of society that are capable of protesting and supporting alternative centres of power in their countries. Organizing and supporting protest movements is a common practice of many American foundations. German foundations tend to be more cautious, trying to build a layered presence in the target country, starting with scientific and educational organizations. The main differences between American philanthropic foundations and German political foundations are summarized in Table 4.

Table 4. Main Differences between German and American Foundations

United States	Germany
Goals	
To support U.S. hegemony, “democratization,” and control foreign markets	Democratization, strengthening and expansion of European integration
Main source of funding	
Private capital and public-private partnerships	The state budget

United States	Germany
Role in society at home	
To influence social processes and the educational and ideological space	To strengthen the party system and public dialogue
Relations with the government in the home country	
A high level of autonomy. Close coordination with government agencies on foreign policy issues, as well as close ties at the employee level, potential Congressional oversight	A moderate degree of autonomy at the operational level. Promoting the interests of individual parties and government agencies at the foreign policy level, accountable to the government
Model for working with the society of a foreign country	
Grants, the creation of loyal groups, including radical groups. Willingness to carry out unilateral projects without a partner. Creation of and support for international and local NGOs and media outlets in their interests	Grants, developing ties with various socio-political groups in order to strengthen pro-European and pro-German forces. Striving to act as a political mediator in the target country. Searching for foreign partners to implement joint projects. Desire to avoid a direct confrontation with the government of the target country
Priority target groups	
Young people, journalists, bloggers, small business, protest and marginalized groups, minorities, experts and politicians, groups that are not part of the institution	Political parties and institutions, universities, research centres, young people, students, academics, pro-European organizations

Source: compiled by the author.

Another thing that American and German foundations have in common is that they have close ties with government agencies in terms of the people under their employ. German foundations are closely associated with political parties, and their leaders typically have extensive experience working in top positions in parliament and government: the Konrad Adenauer Foundation, for example, is currently headed by Christian Democratic Union member and former President of the Bundestag (2005–2017) Norbert Lammert; and the Friedrich Ebert Foundation is led by Martin Schulz of the Social Democratic Party who served President of the European Parliament between 2012 and 2017. In the United States, the links between philanthropic foundations and government run even deeper, to the extent that foundations are often viewed as a “shadow cabinet” (Halberstam 1973: 377), or the labour pool of the “deep state” (Lofgren 2016: 10). The “revolving door” principle is implemented with the help of foundations. Take the President of the Rockefeller Foundation, Rajiv Shah, for example, who held senior positions in the Bill & Melinda Gates Foundation between 2001 and 2009 before serving as Chief Scientist and Undersecretary of Agriculture for Research, Education and Economics in the United States Department of Agriculture, and then as Administrator of USAID from 2010 to 2015. Or career diplomat William

J. Burns, who served as United States Deputy Secretary of State before being named President of the Carnegie Endowment for International Peace (2015–2021), and who now heads up the CIA.⁵³

* * *

There is nothing new about Western political foundations operating on the international stage. Cross-border organizations that attempt to wield ideological and political influence have existed for years. With this being the case, they have become integral elements of the foreign policies of a number of Western countries, primarily the United States and Germany. They effectively provide a global infrastructure of humanitarian influence in the interests of some of the political elites of Western countries.

Foundations play a systemic role in foreign policy due to the fact that they complement official diplomacy, performing functions that are difficult for governments to implement. They promote the export of the values, institutions, norms, technologies and goods of transnational corporations and intellectual centres of the West. By distancing themselves from official diplomacy and formal legal autonomy (although the programmes of the largest foundations are often consistent with the interests of their home country), foundations have plenty of room for maneuver and are thus able to penetrate the society of the target country and influence sensitive areas – education, domestic policies, the expert community, and the media.

Traditional diplomacy cannot perform these functions due to official restrictions and the lack of resources, which explains why the foreign services work closely with the foundations of their countries. The distance between the government of the country of origin and the foundation allows the latter to work abroad with different segments of the elite and opposition groups, implement projects in crisis regions, and operate in countries with a limited diplomatic presence, thus creating networks of contacts, pressure groups and channels for gathering information. This gives a depth and flexibility to foreign policy, creating numerous connections with the society and government of the target country, and providing opportunities to exert influence it from within. At the same time, the country that the foundation calls home can officially distance itself from any given foundation, thus minimizing possible negative diplomatic consequences. In this regard, the academic novelty of our analysis lies in the conclusion that “soft power” – and humanitarian influence in international relations in general – should be seen not only as a natural process of influence or cultural attraction, but also as a deliberately designed process in which foundations act as both operators and resource centres.

⁵³ Almost 50 years ago, Ben Whitaker wrote: “The overlap between U.S. government (particularly its foreign service) and foundation personnel is remarkable,” and this results in the duplication of functions and almost identical points of view between the foundations and the current government (Whitaker 1974: 97–100).

Philanthropic foundations that are active in the social and political spheres of other countries can be seen as a key element of U.S. foreign policy and hegemony.⁵⁴ As the position of the United States as the world leader erodes and competition between the major powers to replace it intensifies, the role of political foundations in world politics may change or even decline. The methods employed by the United States to maintain a grip on its hegemony may undergo transformations or die out altogether as the balance of power in world politics changes, similar to the weakening of U.S. asymmetric alliances (Istomin, Baykov 2020).

In the context of the intensification of the struggle for influence in the modern world, the connection between Western foundations and the foreign policies of their states is becoming increasingly apparent, and it is becoming harder for them to maintain the appearance of independent actors. This much is clear from the fact that the most influential foundations openly support the policies of Western countries in the confrontation with Russia and China. That said, foundations are not going anywhere any time soon, as they are closely associated with the social and media structures, as well as the technological and economic base, of modern states. Governments have started to employ the tools and methods of political foundations, including those of non-Western states, for example China's Confucius Institute (Luqiu, McCarthy 2019) and Turkey's Yunus Emre Institute and the Maarif Foundation (Çevik 2019).

The experience of political funds warrants a closer look from the point of view of the application of Russia's domestic and foreign policies. And we are not talking about copying organizational and legal forms or political approaches here. Instead, it would be advisable to use individual mechanisms and analyse foreign experience, common mistakes and successful practices. This is relevant in the context of increasing international competition and the need to develop domestic institutions for working with society, supporting science, education and awareness raising campaigns. At the same time, it is important to prevent estrangement and strengthen humanitarian ties neighbouring countries involved in regional integration, including as part of Russia's Eurasian integration project.

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Conflict of interest:

The author declares the absence of conflicts of interest.

⁵⁴ The concept of "hegemony" is used here in the understanding of T. A. Shakleina as the desire of the state to achieve global supremacy without the consent of the leading world powers using the tools of dictatorship and the suppression of dissent, in contrast to leadership, which requires legitimation (Shakleina 2015).

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