**Fighting in the Rearguard:**

**U.S. Anti-LGBTQ+ Organizations’ Foreign Spending**

**after Marriage Equality**

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Abstract:

Transnational networks are an important feature of modern life; forged by the broad forces of globalization that reduce physical and cultural distance between peoples (Deutschmann 2022). In addition to reshaping markets and cultivating human connections, transnational networks play an instrumental role in coordinating advocacy (Keck and Sikkink 1998). At international, national, and local scales, actors leverage transnational partnerships to exchange resources, nudge recalcitrant states, and influence cultural understandings of pressing issues. Developing linkages oceans away, though, still requires considerable resources: how and why are such transnational networks funded?

Actors based in the United States (e.g., the federal government, multinational corporations, philanthropic foundations, civil society organizations, churches, private individuals) are often a key source of funding across a variety of transnational networks (Keck and Sikkink 1998). Considering this, one prominent line of research within transnational scholarship details how the monetary dominance of U.S. actors determines the who, what, and where of funding within transnational networks (Ciplet 2019; Walsh 2016). Less studied, though, is why U.S. actors take on this financial position in the first place – the influential role of U.S. funding is assumed, or motivations at least treated as given. Instead, then, we offer an alternative intervention by theorizing and explaining why U.S. actors invest transnationally and the factors that condition the scale and timing of such investments. We do so by arguing that while structural factors (e.g., the U.S.’ position within global capitalism and enduring cultural commitments to “civilizing missions”) provide the capacity and proclivity to invest internationally, changes in political opportunities offer a specific mechanism that triggers U.S. actors to spread their resources across the transnational plane (Chapp 2019).

We apply our framework to understand U.S. funding of an emergent force within the international arena: transnational anti-LGBTQ+ networks. We do so for two reasons. First, recent scholarship demonstrates that the cross-national erosion of liberal norms like multiculturalism and democracy stems from increased transnational coordination of illiberal actors (Godwin and Trischler 2021; Tsourapas 2021). Debates over LGBTQ+ rights symbolically demarcate the forefront of these endeavors (Velasco *forthcoming*); thus, studying this case can generally illuminate how (il)liberal contentions are being financed. Second, many argue that U.S. actors are the primary sources of funding within transnational anti-LGBTQ+ networks and that this international shift is due to changes within political opportunities within the U.S. (xx). Namely, as LGBTQ+ rights were being won in U.S., especially marriage equality, opponents sought opportunities elsewhere. Ugandan LGBTQ+ activist Frank Mugisha succinctly explains the perspective: “[T]hey have lost support in their home country. Now they are looking for countries where they can dump their ideologies.” Although a common argument, evidentiary support for this causal pathway is thin. Studies either rely on subjective interpretations, like the one given by Mr. Mugisha, or descriptive reports of just a few organizations (xx; xx). Therefore, this study offers an important contribution by asking: do advancements in LGBTQ+ rights in the U.S. directly cause U.S.-based anti-LGBTQ+ organizations to redirect financial resources internationally?

We address our research question by pairing computational research designs with a novel, underutilized source of data: nonprofit tax returns. In 2008, the Internal Revenue Service started requiring U.S. nonprofits with gross receipts of over $200,000 to disclose the amount, destination, and purpose of foreign expenditures on their annual tax forms. It took until 2016, though, for the IRS make these data electronically available at scale. Now, these data fully cover 2013-2019. These administrative data are therefore well-positioned to address our core research question. With these data, we implement the following three-part investigation. First, we determine our relevant sample of “anti-LGBTQ+” nonprofits based on network affiliations. Second, we provide a descriptive understanding of how foreign expenditures have changed from 2013 through 2019. Third, we test whether changes in foreign expenditures can be directly attributable to state and federal legalizations of same-sex marriage – a policy with significant symbolic resonance that shaped perceptions of anti-LGBTQ+ efforts being “lost” in the U.S. during this period.

The results from our study carry important implications for understanding both the direct governance of LGBTQ+ lives and the financing of the post-liberal shift within the international arena. First, we find that the average anti-LGBTQ+ organization spent $xx internationally compared to $xx for all other nonprofits in xxyear. This is a significant sum of money – it overwhelms the $xx directed to pro-LGBTQ+ causes by both U.S. and international funders in xxyear (xx). Second, we provide the first large-*N,* quantitative analysis to empirically demonstrate that the advancement of marriage equality across U.S. states led U.S. anti-LGBTQ+ nonprofits to shift financial resources internationally. The adoption of marriage equality is associated, on average, with $xx more dollars being spent internationally and foreign expenses taking up xx% more of the overall budget. These findings underscore the importance of keeping a global referent to U.S. policy change – while marriage equality was a boon to many in the U.S., this resulted in funds going toward anti-LGBTQ+ efforts in all corners of the world (Velasco *forthcoming*). Understandably, those in the U.S. may note that the years following marriage equality have not been settled: new threats continuously emerge, especially for trans individuals and even marriage itself (xx). However, the sizable financial resources of anti-LGBTQ+ organizations make them well-positioned to engage in domestic and international advocacy simultaneously. Finally, we discuss how the tenets of liberalism that enabled illiberal, anti-LGBTQ+ organizations to even be in this financial position endogenously contribute to U.S. actors’ financing the current post-liberal shift.

**Explaining The Financial Role of U.S. Organizations within Transnational Networks**

Transnational advocacy networks are a critical force shaping politics around the world (Keck and Sikkink 1998). Scholars spanning multiple disciplines highlight how these relational structures affect several outcomes: climate governance, public health, digital privacy, refugee resettlement – to name a few. But conducting this work takes considerable financial resources. Actors with requisite resources, then, generally hold outsized influence. In the words of one Russian feminist:

“Our so-called independent, autonomous women’s movement is dependent on Western funding. They finance what they understand, not necessarily what we really need. Right now crisis centers are popular. How do we as a Russian women’s movement evaluate that?” (Sperling et al. 2001: 1170).

Indeed, studies on all types of transnational networks note the disproportionate financial resources flowing from the West, generally, and the U.S., specifically. Of particular attention are the consequences of these funding dynamics, such as whether allocation is (in)equitable across Global North and South or how funds alter agendas and outcomes (Betsill and Bulkeley 2004; Ciplet 2019; Sperling et al. 2001). While these questions are certainly important, our goal is to explain why U.S. actors allocate finances internationally in the first place: why do they have the capacity and desire to play this role? This question receives less attention as the position of U.S. funding is assumed. Therefore, we offer a more comprehensive understanding as to when and why U.S. actors shift financial resources internationally.

*(Neo)Liberalism and U.S. Actors’ Financial Positioning*

Before offering an explanation into specific mechanisms, we weave together different literatures to highlight how the economic, political, and cultural institutions of contemporary liberalism and post-1980s neoliberalism afford U.S. actors with the capacity to finance international initiatives and fund transnational networks. We present a brief, stylized historical account of how global capitalism, the privatization of social services, and enduring cultural commitments to civilizing missions uniquely interact within the U.S. to both concentrate wealth within civil society actors and motivate them to spend this money internationally. After explaining such broad, structural factors, we then draw on theories from social movement studies to offer a more discrete argument for when and why actor actualize this capacity and redirect dollars abroad.

Any explanation must begin with the development of global capitalism and the U.S.’ beneficial position within global markets. xxU.S. sucks up money.

During embedded liberalism of the mid-20th century, the centrality of the U.S. within global systems of capital had been at the service of a developmental state (xx). This changed radically during the 1980s as accelerated neoliberalism altered how the U.S. government collected and redistributed the accumulating wealth from global capitalism. Namely, market logics extended into the privatization of state services and permitted growing wealth to stay within the private sector (xx). This change in governance transpired through the lowering of tax rates and outsourcing the little-remaining state funds for social services to civil society actors (xx). Additionally, individuals and corporations with greater excessive wealth accelerated previous trends of funneling money into tax-exempt philanthropic and charitable havens (xx). These simultaneous trends contributed to the explosion of civil society actors, like nonprofit organizations, to fill the space of a retreating state. Consequently, this meant that on the whole, significant sums of money were maintained and controlled by third sector organizations. While those with government contracts had limitations on how funds could be used, at a structural level, this change meant that private, non-state actors could direct significant financial resources based on personal motivations with little-to-no accountability regarding collective need.

* 1. The developmental state was effectively dismantled, and tax-rates lowered. This had a twofold effect: more wealth amassed by private individuals, an expansion of the third sector to compensate for the retreat of the state.
     1. Within the third sector, we can broadly distinguish between two segments: a segment that continued to rely on federal funding and was therefore beholden to both transparency requirements and political pressures [more like legal limitations in terms of not violating constitutional rights or working against them], and a second segment that relied on funding from private individuals and was exempted from reporting requirements.

1. Taken together, all these trends contribute to the consolidation of a well-funded third sector segment structurally positioned to engage in illiberal advocacy because it was shielded from legal and administrative oversight.

“Foundations may be the most autonomous of all the actors in the network…formally accountable only to self-perpetuating boards of trustees.” – Keck and Sikkink p. 97. In the early 1980s, foundation funding to trannsational human rights efforts, for example, ballooned. Also for women’s rights network.

“The increase in foundation funding in 1990, after the explosion of NGO activity in the late 1980s, suggests that foundations did…greatly facilitate the growth of work on women’s human rights.” P. 182.

“Foundation funding introduces significant asymmetries into networks. Almost all the money for network activities comes from foundations in the United States and Western Europe.” 187.

“One network activist from Nigeria complained that northern NGOs claim to represent southern groups when all groups are desperately seeking funding. She asked: ‘Why should we link hands? Local NGOS cannot get support for their work so we have to affiliate with international NGOs. Then we all hold up our hands to the ‘gates of heaven.’ When the international NGOS arrive at the gate, they drop us and do the talking on our behalf.” 183.

Why political opportunities: “The impetus for the human rights funding within Ford came from the field office sin Latin America, influenced by political events…in the region.” P. 98.

**Yet, still the question remains: why send money abroad?** Enduring cultural commitments to civilizing missions often compels, or at least justifies, those in the U.S. to spread money internationally. Whether based on secular or religious motivations, a foundational aspect of contemporary liberalism is that some values are universal to the human experience and must be protected and promoted. While this commitment today typically manifests within a secular, rights-based discourse, this commitment has historic roots to European Christians’ seeking to “save” those across their empires and within colonies (xx). Given the U.S.’ privileged position within the global arena, today, many citizens agree they have an obligation to extend these resources internationally (xx). The U.S. government’s deployment of women’s rights discourse to justify war against the Taliban in Afghanistan, the rise in voluntourism and phrases like “think globally, act locally,” and the success of key social enterprises that commitment to assisting communities abroad **SUCH AS** are all direct manifestations of Americans’ commitment to deploying resources as part of civilizing missions. Certainly, these international commitments range from sincere efforts to forge solidarity with the marginalized to racialized, imperial feelings of obligation to “civilize,” “empower,” or “structurally adjust” those outside U.S. borders into a better way of life.

* + 1. Moreover, because the U.S. is also influential within World Bank and International Monetary Fund, it structurally adjusted other states into this governance model. This created the need for civil society actors to fill in this space. While it encouraged the growth of some entities, lack of financial resources meant they were not in a position to do this work solely on their own. This created a demand for U.S. actors to then assist in this process as well.

Several countries are woven into these economic, political, and cultural institutions of Western (neo)liberalism. Indeed, going back to the Russian feminist in Sperling and colleague’s study, Western countries are a key source for the financing of transnational networks. However, the scale and unique interactions of these institutions within the U.S. make actors based have a disproportionate role in financing transnational networks: there is more wealth due to global capitalism, more of this wealth is held by civil society actors due to privatization of state resources and lower tax obligations, and strong cultural commitments to civilizing missions compel these civil society actors to spread the money internationally. Countries that do not have these same three factors, are typically not as instrumental in funding transnational networks. But while these explanations are helpful for understanding general capacity, it makes it more challenging for understanding the discrete reasons for why foreign investments shift at any given time. Draw a distinction between proclivity or something like that and changes in behavior. Understanding specific mechanisms, then, can enhance our overall understanding of the way finances move within transnational networks – something less well studied.

*Triggering Foreign Financial Investments through Changing Political Opportunities*

The aforementioned factors help explain the capacity and proclivity to fund transnational networks; to explain changes in the intensity or magnitude of this funding, we turn to theories from social movement studies. Namely, participating transnationally is a strategy actors choose to do. One framework for understanding how actors make strategy decisions is to look at changing political opportunities, or the extent to which relevant political institutions are open or closed to advancing one’s aims (Meyer and Minkoff 2004; Sikkink 2005). If domestic opportunities are limited, then turning toward the transnational landscape for opportunity elsewhere represents one viable option (Della Porta and Tarrow 2005; Khagram, Riker, and Sikkink 2002). While there are several facets to political opportunities, we specifically focus on the role of changing public policy (Tarrow 1994).

There are broadly three ways changes in policy can close off domestic opportunities and make international focus more attractive to achieving one’s aims. The first can be characterized through Keck and Sikkink’s boomerang model: here, adverse policies spur local organizations to seek transnational partnerships to order to exert greater pressure on the state. The second is that domestic opportunities become limited following policy gains. After some level of achievement, actors may seek to continue their work internationally (e.g., part of the “civilizing mission”). The third is following public policy failure: actors may cut their losses and instead seek out more amenable forums elsewhere to achieve their goals. This process, known as “forum shopping,” allows actors to take advantage of an increasingly accessible global landscape. The common element to each of these pathways is that domestic opportunities are limited relative to more favorable opportunities awaiting at the transnational scale. If public policy changes are successful in instilling this perception, we argue this will trigger a shift in investments and priorities abroad.

**U.S. Funding of the Post-Liberal Shift:**

**The Case of Illiberal Anti-LGBTQ+ Networks**

Research on transnational networks is often focused on how these relational patterns advance tenets of contemporary liberalism and hold states accountable to corresponding global norms like democracy, human rights, and environmental protections (Keck and Sikkink 1998). Consequently, any attention to how finances move through and affect these structures similarly centers liberal ends (Sperling et al. 2001). In fact, because of this common link between foreign dollars and liberal, democratic values, dozens of states have implemented severe limits on foreign funding to domestic civil society organizations; one manifestation of growing illiberalism (Bromley et al. 2018). Yet, these funding restrictions are paradoxical as many civil society organizations promoting illiberal values within these states also participate in growing transnational networks (Atalay 2022; Korolczuk and Graff 2018; Kovats 2017). Nevertheless, as transnational illiberal networks grow and their consequences more acute, there is a pressing need to understand from where they are getting their resources and what triggers these investments.

To address this broad topic, we apply our theoretical framework to transnational anti-LGBTQ+ networks. We do so because anti-LGBTQ+ and corresponding anti-gender networks represent the forefront of (il)liberal divides (Paternotte and Kuhar 2017; Velasco *forthcoming*). Though forming in the mid-1990s, these networks are increasingly effective at curtailing LGBTQ+ rights around the world (Velasco *forthcoming*). Moreover, political elites can leverage support from these actors to legitimize limiting content and access to free speech, cracking down on (unfavorable) civil society organizations, undermining judicial independence, and further consolidating their power in the name of protecting the nation (Currier 2010; McKay and Angotti 2016; Weiss and Bosia 2013). To finance this work, present scholarship makes clear that actors in the U.S. are critical, especially evangelicals (xx; xx). But why do U.S. actors play this role? If illiberal networks are a new force, it portends that illiberal, anti-LGBTQ+ actors in the U.S. are also newly shifting resources internationally. Investigating the processes that enable these investments into illiberal outcomes expands current knowledge of the forces triggering the current post-liberal shift.

Before offering an explanation behind U.S. actors’ role within these anti-LGBTQ+ efforts, Figure 1 first tracks the volume and priority of international funding by these entities.[[1]](#footnote-1) We begin with Figure 1 to illuminate the magnitude of these financial investments and descriptively assess whether shifts are noticeable. Figure 1A highlights average foreign expenditures by anti-LGBTQ+ nonprofits within the U.S., compared to all others. As can be seen, in 2013, the average anti-LGBTQ+ organization spent $50,000 abroad – this translates to over $57 million dollars spent by all these nonprofits (i.e., this sum excludes private foundations, corporations, etc.). For reference, in 2013, only $24.5 million was spent internationally for pro-LGBTQ+ causes by *all* actors – including nonprofits but also private foundations, corporations, and anonymous sources (Kan 2014). Importantly, there is a noticeable increase over time as well. But as a budgetary priority (Figure 1B), international expenses seem to be holding steady after the 2013-2014 drop. Nevertheless, this is a significant sum of money from the U.S. shaping anti-LGBTQ+ causes around the world.



**Figure 1. Changes in the Volume and Priority of International Funding**

**by U.S. Nonprofit Organizations, 2013-2019.**

What are the factors that enable U.S. anti-LGBTQ+ organizations to both possess these significant sums of money and then spend it internationally at disproportionately higher rates? We use our above theorization on the mix between (neo)liberalism and cultural commitments to civilizing missions to offer a general background before understanding how policy changes trigger specific shifts in funding.

While anti-LGBTQ+ actors exist across religious boundary, it is important to acknowledge their strong ties to Christianity and evangelicalism within the U.S. Because of this overlap, understanding modern anti-LGBTQ+ efforts around the world begins with understanding how Christianity intersects with processes of (neo)liberalism and enduring civilizing missions. At the same time, while we will highlight how these illiberal networks are primarily advanced by those committed to (a particular version) of Christianity, “religious” and “illiberal” are not synonymous terms. So, although we draw on histories of religious activism and transnational engagement, we try to be explicit when we are discussing this general background compared to anti-LGBTQ+ actors.

First, religious entities have access to significant resources. Two reasons: 1) privatization of state services. In the late 1990s, change in a rule that allowed federal dollars to go to these entities. Saw an explosion in religious NGOization as a result. Because many religious entities were already providing social services, it allowed for them to get grants. George W. Bush’s PEPFAR program, for example, relied heavily on religious entities. 2) Religious people donate more, obligation to tide, have higher incomes.

* + - Religious teachings encourage peo- ple to empathize with and help those who are worse off than themselves without regard to reciprocity or to the “distance” between them, values that may be particularly important to international giving where there are few “tangible” benefits of giving.
    - “They suggest a model in which “the type and degree of empathetic identification with the needs of others” or a “sense of we-ness” generates philanthropic behavior (Schervish & Havens, 1997, pp. 238-239)
      * Bekkers and Schuyt (2008) dif- ferentiate two mechanisms through which religion affects prosocial behavior— “conviction” and “community.” The former refers to the values that religion instills in individuals, such as concern for and responsibility toward the well-being of others. The latter captures how participation in religious institutions is likely to result in individuals being made more aware of opportunities to give and of being solicited.

Second, this population has a long history of international “civilizing missions.” Religious actors are some of the earliest to form transnational networks and build religious international organizations, especially after World War II. Indeed, throughout the post-war period, religious actors were an important mechanism for spreading liberalism (Woodberry). This is often because these entities promoted religious tolerance and democratic norms. So the institutional framework is there to engage internationally.

* “As the world becomes increasingly interdependent, Christianity in the United States is becoming transcultural, responding to the realities of globalization by actively and intentionally engaging in activities that span borders. “ Wunthow
* “Despite Christainity’s shifting population, a very significant share of its financial and organizational resources remains in the United States and Europe”

Third, within this segment are religiously motivated political actors. Willing to spend it on political purposes as they view themselves as marginalized. One product argued to come from the excesses of liberalism is “victim” mentality. This is especially true in some evangelical corners of Christianity who always view themselves as under threat. Christian nationalism, a politicized form of Christianity that supports undemocratic policies to preserve a white, ethno-cultural ideal.

Again, this interaction then within the U.S. makes these organziations well-positioned to play an influential financial role internationally. They have both the capacity and proclivity to be an international force.

But what triggers changes? Policy.

* + Why do anti-LGBTQ+ organizations invest internationally?

Financial connections with U.S. churches make them more inclined to go along with what U.S. churches decide, among those in East Africa (Dreier 2018). However, some willingly surrendered financial assistance to assert theorlogical rejection of homosexuality.

If this rise in illiberal networks represents a shift within the international system, though, there is likely a shift in funding priorities in order to make such work possible.

**Progressive LGBTQ+ Policy Gains and Changes in U.S. Anti-LGBTQ+ Funding**

It is against this backdrop we seek to explain recent changes in foreign spending by U.S. anti-LGBTQ+ organizations. We do so by drawing on the social movement theorization described above. Below, we detail why policy change may contribute to the apparent increase in the volume (but perhaps not priority) of foreign spending by U.S. organizations as seen in Figure 1 by limiting domestic political opportunities (real or perceived).

We center our theorization on changes within the adoption of progressive LGBTQ+ policy gains within the U.S., namely marriage equality. We do so not to relegate other changes within political opportunity structures as inconsequential or to deny that earlier internationalization transpired, but, rather, to home in on and empirically estimate the effects of one policy change seen as instrumental in changing political opportunities. This is because while several policies affirming policies were enacted, especially during the presidency of Barack Obama, the legalization of marriage equality carried outsize influence in popular imagination because of the symbolic resonance it carried within mainstream LGBTQ+ efforts (xx).

The adoption of marriage equality, both across U.S. states and ultimately through the U.S. Supreme Court, coincided with U.S. anti-LGBTQ+ organizations shifting focus internationally. To many activists and scholars, there is a causal link between these two trends. Take, for example, one LGBTQ+ activist who stated:

“Sensing the battle against LGBT+ equality is being lost in the west, well-funded evangelical groups from America have been spending vast amounts of money…against LGBT+ equality in developing countries” (Staples 2019).

The reason why anti-LGBTQ+ organizations are spending money internationally is due to the perception that more amenable forums exist elsewhere. Academics like Sanders (2016) argue for this forum shopping perspective, stating that “American Christian evangelicals sought out more amenable forums to promote their anti-gay agenda” because they were “frustrated by the success of LGBT activism” in the U.S. Indeed, Goetz (2020: 171) also highlights that these organizations “are adept at forum shopping to seize advantage” and specifically search out venues that are “underpopulated” by their progressive counterparts (2020: 167).

While marriage equality may have limited domestic opportunities and, therefore, freed up resources, there also needs to exist the perception that opportunities are (at least relatively) more favorable abroad. One element that makes this possible is by turning to the “demand” side of the equation. For example, given that Christians are influential within anti-LGBTQ+ networks, it is important to consider the distribution of this global population – which exists primarily outside the U.S. and Europe. As Anderson (2011: 1589) states: “Northern Christians struggling to win their battles at home look to the Global South…This is made easier by the fact that global Christianity is once more overwhelmingly a Southern religion.” Of course, despite these shifts, the financial and organizational resources of global Christianity significantly remain in the U.S. and Europe (Wunthow 2010).

Indeed, anti-LGBTQ+ actors are themselves making similar arguments which appeal to an abstract universalism to their claims. Scott Lively, a U.S. evangelical who has been involved in anti-LGBTQ+ efforts around the world, including Uganda, stated that:

“While the LGBT agenda has seemed like an unstoppable political juggernaut in North America and Europe, the vast majority of the people of the world do not accept the notion that sexual deviance should be normalized. It is time that these voices are heard on the world stage before the so-called elites of the Western powers impose their inverted morality on everyone through the manipulation of international law, which they clearly intend to do.” (2014).

Of course, the extent true allies exist abroad is an empirical question to be evaluated. Moreover, organizations in the Global South may feel compelled to take these dollars due to the fact these resources were extracted by the U.S. in the first place (xx; xx). But these perceived opportunities may be enough for U.S. actors. Lively’s comments convey the principles of universalism within contemporary liberalism; that because he shares this perspective, it must be true everyone around the world does too, except for the “elite” minority Therefore, it would be a sound strategy to relay resources to these communities to mobilize them as part of broader endeavors.

Although this broad argument exists, there is little empirical data linking progressive LGBTQ+ policy changes in the U.S., specifically marriage equality, to anti-LGBTQ+ organizations’ foreign spending. In fact, only two reports, one done by openDemocracy and another by European Parliamentary Forum for Sexual and Reproductive Rights, longitudinally track foreign spending by U.S. organizations. They find that spending actually decreased following national marriage equality. And, these reports were done by evaluating the finances of just 10 and 28 organizations, respectively. Nevertheless, they do show a significant volume of dollars being spent, which may contribute toward people’s assumption of this causal link. Consequently, there has yet to be a longitudinal, empirical study to evaluate the claims made above. Therefore, we seek to intervene by subjecting these hypotheses to more rigorous investigation.

Finally, another reason to undergo such an investigation is because these claims may be incorrect. There are a few reasons why this may be. First, we do not see an acquiescing to LGBTQ+ rights within the U.S. While the Obama Administration did represent an optimistic moment, especially after marriage equality, new fights emerged. States focused on religious exemption laws and targeted transgender youth (xx; xx). Moreover, in a 2022 opinion, Supreme Court Justice Clarence Thomas suggested the court reevaluate marriage equality itself (xx). Progressive wins then may actually result in money coming back into the U.S. to reinforce efforts. Second, even if money is going abroad, it may not be due to policy change but, rather, alternative factors like demographic changes or institutional inertia toward global interaction. Whichever the reason, potentially falsifying these claims through null or reverse findings could carry important implications that reshape our thinking on how these transnational networks are operating.

**Data and Methods**

We address our research question by leveraging a novel source of data: U.S. nonprofit tax returns (i.e., the Form 990). The Form 990 contains an immense amount of data on nonprofits, including: location, mission statement, programming activities, and a detailed set of financial data like executive compensation, revenues, and expenses. In 2016, the IRS made 1.3 million e-filed tax returns from 2010 through 2016 electronically available (about 60 to 65% of all filings). After initially housing these data on Amazon Web Services, the IRS moved the data to their own website in 2022 where the data are continuously updated. Before this release, these forms were still publicly available but primarily accessible as PDF documents. Curating these disparate forms into a single dataset of scale required significant investment.[[2]](#footnote-2) This barrier greatly hindered Form 990 utilization within academic research. Greater data accessibility, though, is now igniting new innovations for understanding U.S. nonprofit organizations and their social consequences (Velasco and Paxton 2022; Paxton, Velasco, and Ressler 2020).

These data do contain two notable exclusions. First, only nonprofits with gross receipts over $200,000 are required to submit the full Form 990 that includes a supplementary schedule inquiring about foreign expenses. While nonprofits with less than $200,000 in gross receipts can volunteer this information, they are not required to do so. Additionally, the IRS only began requiring information on foreign expenses in 2008. Second, Forms 990 exclude an important type of anti-LGBTQ+ actor: churches. These tax-exempt entities are not required to disclose financial information to the federal government. Understanding the financial role of churches, then, requires a separate investigation utilizing alternative sources of data. The ability of churches to evade financial disclosure has additional consequences for the present study as some anti-LGBTQ+ organizations within our sample change their registration from nonprofits to churches (e.g., Billy Graham Evangelistic Association, Family Research Council). Changing tax-exempt designation suddenly removes these organizations’ financial data despite their anti-LGBTQ+ work continuing. Due to changes in registration being public record, we also separately collect this data from the IRS to assess the frequency of registration changes. We discuss potential implications for our findings below. So, although our analysis is the first large-*N* investigation into foreign expenses by anti-LGBTQ+ organizations, our results are only generalizable to this set of nonprofit organizations within the U.S.

Nevertheless, Form 990 data are an imperative tool for illuminating how global efforts to curtail LGBTQ+ communities are being financed. Both openDemocracy (2020) and the European Parliamentary Forum for Sexual & Reproductive Rights (Datta 2021), for example, use these data to descriptively track changes in U.S. anti-LGBTQ+ organizations’ foreign expenses and offer accompanying details on local consequences. While certainly insightful, these reports reflect how relying on manual collection of these data limits their investigative scope – the two reports only showcase 28 and 10 organizations, respectively. Consequently, turning to newly available administrative data from the Internal Revenue Service allows us to significantly overcome the persistent constraint of data availability and more robustly evaluate our research question.

*Dependent Variable.*

We measure foreign expenses in two ways: as a proportion of total expenses and as total dollars. We incorporate these two measures to determine whether the adoption a progressive policy shifts organizational priorities (by making foreign expenses a larger percentage of their budget) or changes the volume of resources (as determined by total dollars spent abroad). While these may be correlated within an organization, it is possible that following legislative defeats, anti-LGBTQ+ organizations see budgets increase as supporters continue their efforts – resulting in more money being spent abroad but at a similar or lower proportion of overall budget.

Data on foreign expenses comes from Part I, Line 3C, Column F of Schedule F. On Schedule F, titled “Statement of Activities Outside of the United States,” nonprofits are required to report expenses related to three types of activities: the organization’s own international operations, grants and assistance to foreign organizations and governments, and grants and assistance to foreign individuals. Then, across Parts I, II, and III of Schedule F, organizations provide accompanying information related to each activity.[[3]](#footnote-3) Relevant details include region, total expenditures, and a description of the activity or grant purpose. Schedule F, then, includes the total amount spent internationally within the tax period, but also the number of specific grants and then insightful information on where these funds are going and how they are being spent.

To calculate our first dependent variable, we divide these foreign expenses by total expenses from the current year – found on Line 18, Part I of the base form. Our second dependent variable is the raw total logged due to the skewed distribution. All financial variables are converted to real 2013 USD.

*Independent Variables.*

*State Policy Change.* We measure progressive LGBTQ+ policy change as the year marriage equality was passed or ruled legal (as opposed to year of enactment) in the state a nonprofit resides. These data are collected from Movement Advancement Project. We focus on state-level policy change for theorical and methodological reasons. Theoretically, this policy was primarily debated, banned, and adopted at the state-level. When the U.S. Supreme Court legalized same-sex marriage nationally in 2015, marriage equality was already legal in 33 states (xx). Given the proximity of these debates, state-level adoption is more likely to then influence how nonprofits perceive their political opportunity structure too. Methodologically, focusing on state-level variation offers us more intervention points to assess the effects of this policy switch.

*Anti-LGBTQ+ Organization.* Our second independent variable is an indicator for whether the organization is classified as “anti-LGBTQ+” or not. Rather than limiting the sample to only anti-LGBTQ+ organizations, we instead keep all observations which allows us to determine if changes foreign expenditures by anti-LGBTQ+ organizations are distinct relative to the broader field. This comparison point will lend greater credibility that any effects found are attributable to LGBTQ+ policy changes rather than changes to the general field.

Classifying an organization as “anti-LGBTQ+” is a difficult process; fuzzy and differing definitions result in loose categorical boundaries (Velasco *forthcoming*). Consequently, any classification scheme can certainly be either contested or optimized. Regardless, we take the following approach. We first develop a list of organizations that have been identified as actively working against LGBTQ+ communities. We identify this first list by collecting several sources: organizations deemed “anti-LGBTQ+” by third-party sources (e.g., the Southern Poverty Law Center, PFLAG), organizations that participated in distinctly anti-LGBTQ+ conferences (e.g., World Congress of Families), participate in campaigns against marriage equality at the state and federal-level by signing petitions or attending rallies (e.g., 2004 Mayday For Marriage, 2014 March for Marriage), or being designated as anti-LGBTQ+ in academic studies and reports (e.g., Fetner 2008). This initial set results in 657 organizations.

Next, we take a network approach to identify additional organizations with whom these initial anti-LGBTQ+ organizations have a financial relationship. Schedule I of the Form 990 requires nonprofits to report the specific, U.S.-based entities they give money to. For example, in 2011, Focus on the Family reported giving $30,958 to the Minnesota Family Institute for “voter registration” while the National Organization for Marriage gave Radio Vision Cristiana $25,000 for “general support.” Consequently, the Minnesota Family Institute and Radio Vision Cristiana become classified “anti-LGBTQ+.” After repeating this process for every year one of initial anti-LGBTQ+ organizations submitted a Schedule I. This process results in xx nonprofits being designated as “Anti-LGBTQ+” in total.

*Alternative Explanations.*

While our aim is to understand the distinct effect of marriage equality on anti-LGBTQ+ organization’s foreign expenses, it is imperative to account for alternative explanations that close off spurious paths. Because the effect we are interested in estimating is at the state-level, we direct our control variables here as well. These state-level controls are: gross domestic product (logged), percent of the population with college degree (associates or higher), percent of the population foreign-born, number of registered churches (logged), total number of nonprofits (logged), an indicator for whether the governor is a Republican, and state-level fixed effects. At the organization level, we only include organization-level fixed effects and then total expenses (logged) in models with raw dollars as the dependent variable.

*Analytic Sample*

*Estimation Strategy*

**Preliminary Results**

**Robustness and Auxiliary Analyses**

Frank test

Assessment of church switching and how much money that pulls out from analysis.

**Discussion and Conclusion**

1. Implications at three scales:
   1. Why is matters for understanding anti-LGBTQ+ networks. Important to know how the international “pro-family” movement is financed. Has all these effects but internal dynamics less studied quantitatively.
   2. Why is matters for social movements scholarship, generally.
      1. One line of research suggests that it’s only after securing success as home groups turn abroad. Or, at least, this has been the attention typically from Global North organizations. Anti-LGBTQ+ changes things in that it shows that rather than a reinvestment they may turn internationally.
         1. Of course, because they have so much money, they may be able to do both simultaneously – even if international expenditures as a budget priority increase.
   3. Why is matters for understanding broader global and transnational processes in the international system i.e., Illiberalism

This is only the role of U.S. Anti-LGBTQ+ efforts are receiving increased financial resources from other sources. This could either be from actors based outside the U.S. (e.g., CitizenGo in Spain, Russian Orthodox Church) or other U.S.-based entities besides nonprofits (e.g., churches). Regarding the latter, the plausibility of churches being a conduit for foreign investments is significant. Some research already highlights the role of (para)churches in advancing anti-LGBTQ+ efforts (Dreier 2018). More important for the present case, though, is that churches are not required to disclose expenditures unlike other tax-exempt entities (e.g., nonprofits). Therefore, this creates a pathway for foreign expenditures to reach external audiences while evading public scrutiny. This is relevant because organizations in our sample undergo this transformation during our observation window. The Billy Graham Evangelistic Association, for example, spent $23.8 million abroad between 2008 and 2014 as a registered nonprofit. However, in 2014, it re-organized into a church and stopped disclosing expenses to the U.S. government. Consequently, a significant source of funds was withdrawn from the sample just as marriage equality was being introduced. Therefore, while our analysis provides strong evidence that U.S. anti-LGBTQ+ nonprofits are not increasing investments following progressive change, counter to conventional wisdom, these findings shift scrutiny toward these other potential funding sources to understand the true effects of progressive policy change on the internationalization of social movements.

1. See Data and Methods below for details on underlying data. [↑](#footnote-ref-1)
2. The National Center for Charitable Statistics undertook the significant task of manually digitizing all Form 990 filings from 1998-2003. Consequently, prior to the IRS data release, investigations on nonprofits requiring detailed information were limited to this era or to specific subsets of nonprofits. [↑](#footnote-ref-2)
3. Although explained simply here, see IRS reporting instructions for more detail: <https://www.irs.gov/pub/irs-pdf/i990sf.pdf>. [↑](#footnote-ref-3)