



# Education and Philanthropy: The International Dimension

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# Definitions of 'Foundation' Differ

- Ingredients used in this paper:
  - non-governmental
  - non-profit
  - possesses a principal fund of its own
  - managed by its own directors and/or trustees
  - promotes social, charitable, religious, educational or other activities which serve the public good
- Number of foundations in Europe = 357,000
- Number of foundations in Europe meeting these criteria = 84,000 (75% located in Sweden, Denmark, Britain, Germany and Switzerland)



International activity in education of U.S.  
- based foundations in 2000 = \$ 337  
million

K – 12 activity = less than 4%

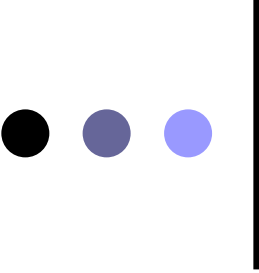


# International Education Activities of US Based Foundations by Purpose, 2000

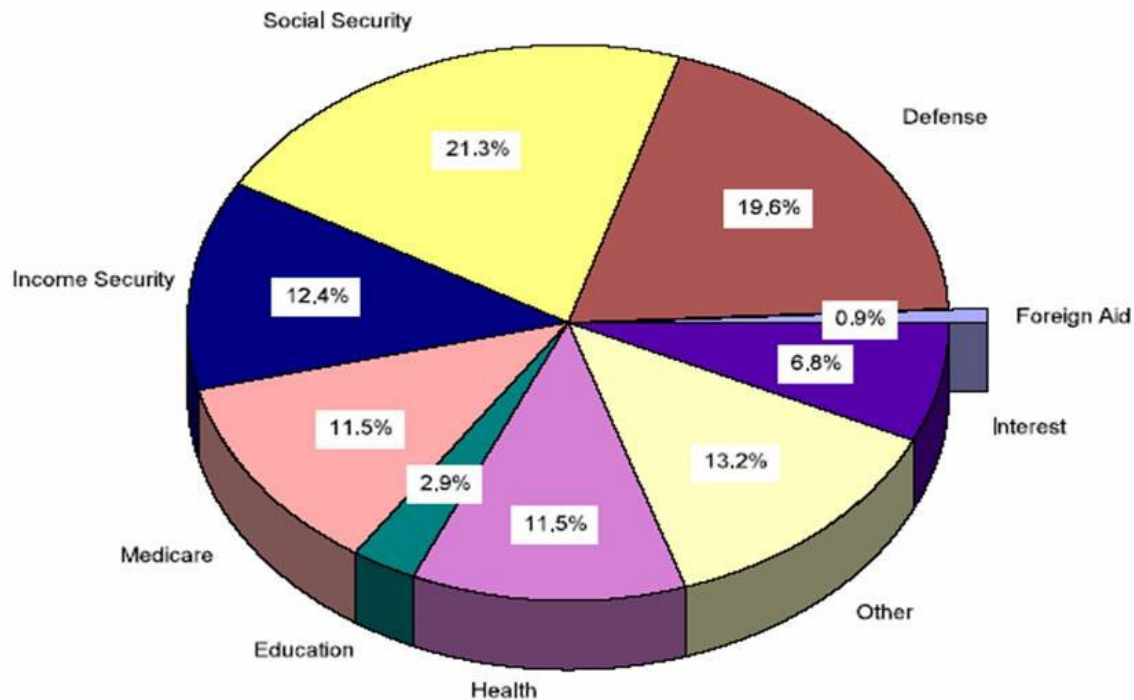
	Dollars, US Millions	Percent of Total	Number of Projects	Percent of Total
Higher Education	39.7	11.8	372	34
Graduate & Professional Education	244	72.4	254	23
K-12*	12.9	3.8	239	22
Adult and Continuing	0.5	0.2	10	0.9
Libraries	25.8	7.7	70	6.4
Other	14.2	4.2	146	13.4
<b>Total</b>	<b>337</b>	<b>100</b>	<b>1091</b>	<b>100</b>

\*Does not include projects of the Open Society Institute

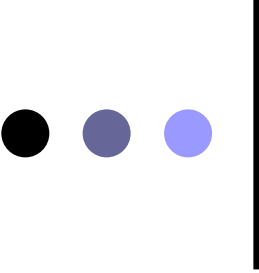
**Source:** OECD, 2002

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- Foreign aid = public philanthropy
  - U.S. foreign aid = a small portion of the US Federal budget

# U.S. Budget Outlays FY 2004

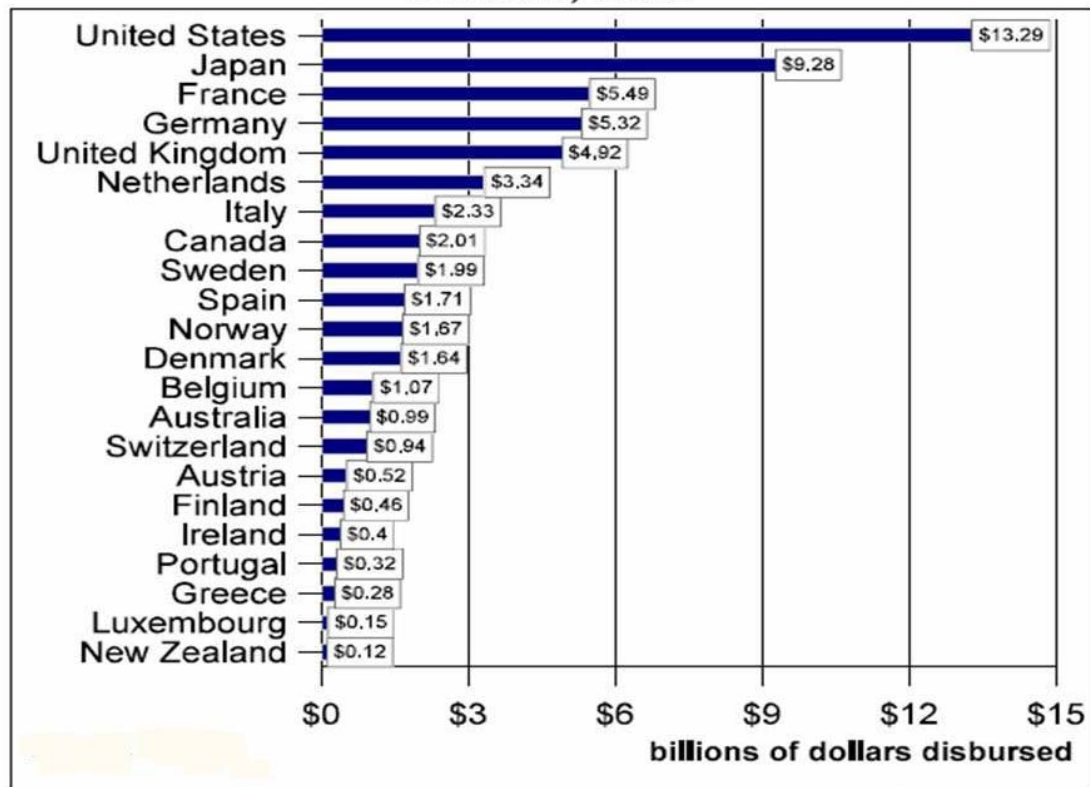


**Source:** Tarnoff, C. and Nowels, L. "Foreign Aid: An Introductory Overview of US Programs and Policy." Washington DC: Congressional Research Service, 2004.

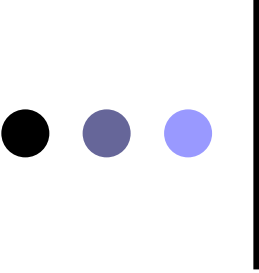


US foreign aid = larger than the  
foreign aid of any other country

# Economic Aid in Dollars from Major Donors, 2002

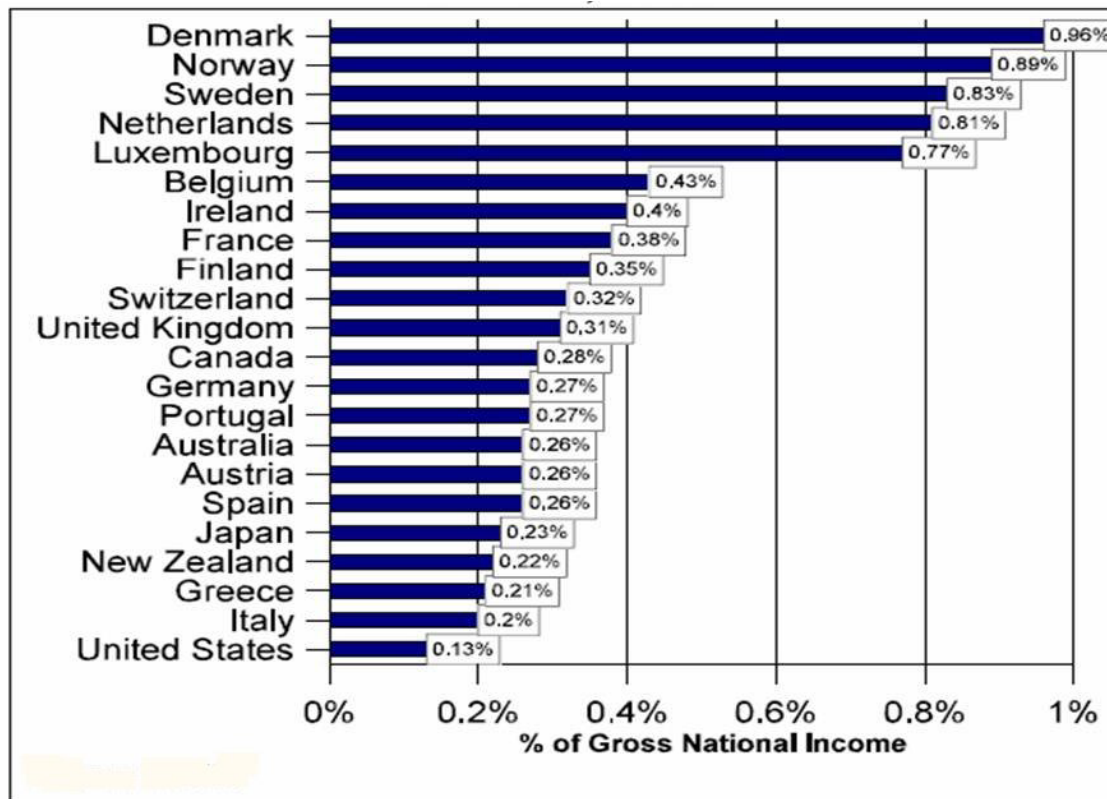


**Source:** Tarnoff, C. and Nowels, L. "Foreign Aid: An Introductory Overview of US Programs and Policy." Washington DC: Congressional Research Service, 2004.

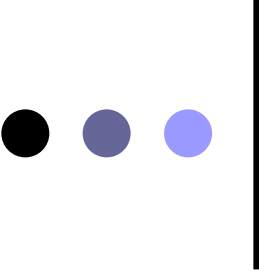


US Foreign aid = smaller than  
any other country (in % of  
Gross National Income)

# Economic Aid as % of GNI from Major Donors, 2002



**Source:** Tarnoff, C. and Nowels, L. "Foreign Aid: An Introductory Overview of US Programs and Policy." Washington DC: Congressional Research Service, 2004, p. 15.

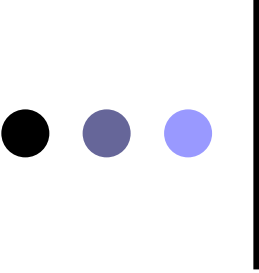


US Private philanthropy is larger than any other country, but still does not change the ranking of the U.S. in terms of proportion of GNI devoted to international philanthropy



# U.S. International Philanthropy, 2002

	Dollars, US Billions	Percent of GNI
<b>Public</b>	13.3	.013
<b>Private</b>	3.0	.003
<b>Total</b>	<b>16.3</b>	<b>.016</b>



Public philanthropy in education  
across all OECD countries =  
8 % of total public philanthropy

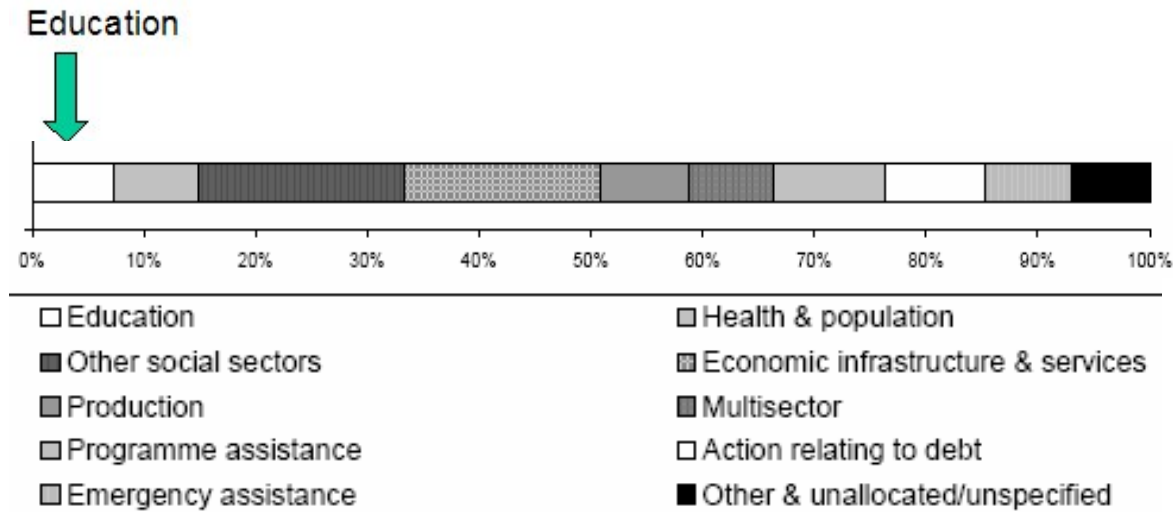


# Public Aid to Education by Region (2002)

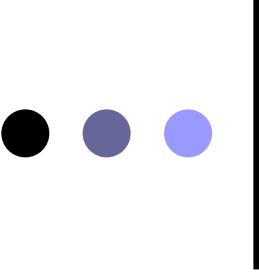
Region	Amount Received (millions)	% of Total Aid to Region
Africa	1,797	10
Asia	1,445	7
CEECs/NIS	362	8
Europe	176	5
Oceania	36	6
Total	3,816	8

**Source:** Aid at a glance by region. <http://www.oecd.org/dataoecd/40/27/7504863.PDF>

# Sectoral Distribution of Philanthropy (2002)



Source: Aid at a glance by region. <http://www.oecd.org/dataoecd/40/27/7504863.PDF>



Nevertheless, philanthropy has important leverage in many low income countries

### Philanthropy-Dependency Ratios (1998)

Income Group	Total Foreign Aid as a Percent of		
	Gross National Product	Gross Domestic Product	Imports of Goods and Services
<i>Burkina Faso</i>	15.5	53.8	49.0
<i>Burundi</i>	8.8	95.9	40.7
<i>Cambodia</i>	11.9	78.3	24.9
<i>Central African Republic</i>	11.6	83.8	43.9
<i>Cote d'Ivoire</i>	7.8	39.9	15.8
<i>Ethiopia</i>	10.0	54.4	33.7
<i>The Gambia</i>	9.3	49.5	11.1
<i>Ghana</i>	9.3	40.8	23.0
<i>Guinea</i>	10.3	47.3	34.1
<i>Guinea-Bissau</i>	50.0	410.5	130.4
<i>Haiti</i>	10.5	98.3	39.4
<i>Honduras</i>	6.2	20.0	10.6
<i>Lao PDR</i>	23.0	89.6	43.7
<i>Lesotho</i>	6.2	17.2	6.4
<i>Madagascar</i>	13.4	99.0	40.0
<i>Malawi</i>	24.4	187.8	36.8
<i>Mali</i>	13.1	62.0	36.0
<i>Mauritania</i>	18.0	82.3	33.9
<i>Mozambique</i>	28.2	130.7	75.8
<i>Nepal</i>	8.3	39.0	24.2
<i>Nicaragua</i>	31.6	83.8	30.8
<i>Niger</i>	14.4	136.4	57.4
<i>Papua New Guinea</i>	10.3	31.8	16.8
<i>Rwanda</i>	17.3	110.1	70.1
<i>Senegal</i>	10.8	54.7	29.0
<i>Sierra Leone</i>	16.9	202.3	48.5
<i>Tanzania</i>	12.4	82.8	39.5
<i>Togo</i>	8.6	60.0	15.5
<i>Uganda</i>	7.0	46.0	24.5
<i>Zambia</i>	11.0	72.6	20.4
<i>Zimbabwe</i>	4.7	25.7	9.0

**Source:** Akhand, Hafiz A. and Kanhaya L. Gupta (2002). *Foreign Aid in the Twenty-First Century*. Boston: Kluwer Academic Publishers, p. 6.



# Lessons

- private philanthropy: Is it a sign of altruistic initiative or a failure of serving the public interest ?
- private philanthropy outside of the US: very courageous and very essential programs (examples Ford, Carnegie, and Soros Foundations)
- public philanthropy (foreign aid)
  - part of foreign policy
  - high leverage
  - long term dilemma