American Private Foundations in Russia: Locating Priorities

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Abstract

The study describes the increasing international assistance in the field of education in Russia and focuses on programs implemented by the US private foundations, tracing, translation of the foundations goals into actual programs in the region. Using data from a variety of sources, foundations program portfolios are analyzed in relation to thematic diversity and geographic spread; types of support and major recipients of aid. Then, a comparative documentation analysis is applied to the programs’ descriptions. A case study of two recent initiatives in Russian higher education is presented.

Outline:

0. Introduction
   1. Literature review: Views on philanthropy
   2. Statement of the research problem and research questions
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   4. Results
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0. Introduction

International aid to education is the topic that sparkles passionate discussions at any sizable gathering of educators and researchers. International agencies such as the World Bank, IMF (International Monetary Fund,) UNESCO, USAID (United States’ Agency of International Development), IDA (International Development Association), and others make serious contribution to global educational efforts to improve equal access to education, teacher preparation, quality of education, national standards, state control over the curricula, and provision of educational services.
The current philosophy behind the efforts to support education worldwide is succinctly formulated in the Oxfam Education Report (2000): “Education matters because it is a fundamental human right, and because it is intrinsically important in its own right. It opens new horizons and raises the quality of life. But education is also a means to achieving wider human-development ends, including higher living standards, improved public health, and democratisation. It is one of the most powerful catalysts for poverty reduction.” (p.3). In addition to enhancing an individual’s chances to better life, education is crucial to the nation’s well being. “What is true for individuals is also true for society. Education does not provide a guarantee of formal democracy... But popular education is necessary condition for democracy to take root. That is why the struggle for education has always been a central theme in the struggle for democracy,” the report states (p.17).

Similar views on education are expressed by the private foundations. Thus, 1993 Annual Ford Foundation Report reads: “…education and the arts open up possibilities for individuals, regardless of race, gender, or class, to become productive citizens, to develop their talents, and to realize their aspirations. This is as true in Moscow, as in Milwaukee, in Ecuador as in Egypt, in Jakarta as in Johannesburg” (p.55). Paying particular attention to education and cultural affairs, private foundations have firmly established themselves as critical players in the production and dissemination of ideas, skills and knowledge in various parts of the world.

The study presented below approaches the activities of private foundations from the standpoint of radical structuralism. As defined by Burrell and Morgan (1979), this conceptual construct focuses upon structural relations within a realist social world (p.134). Although realist’s picture of the world is inherently grim and holds it to be fundamentally competitive,
its explanation of how the world works seems most closely matching the facts. Realism recognizes that various institutions are created and shaped so as to maintain their parent state’s share of power in the world (Mearsheimer, 1994/1995.) Adoption of the realist perspective will allow us to capture interrelations between the social agents involved in designing and implementing the foundations’ projects.

Throughout the paper, the term *private foundation* is used in accordance with the definition of the Foundation Center which takes a private foundation to be a nongovernmental and a nonprofit organization that “has a principal fund or endowment; is managed by its own trustees and directors; maintains or aids charitable, educational, religious, or other activities serving the public good makes grants, primarily to other nonprofit organizations, and is required to file a 990-PF form with the IRS annually.”


1. Literature Review: Views on Philanthropy

The work of private foundations and philanthropic organizations has been approached by a number of scholars from several distinctly different standpoints. For instance, Payton (1988) emphasizes the “voluntary effort”, the “doing good”, the “change agency” role of philanthropic efforts, and the so-called “habit of the heart” that underlies philanthropic deeds in any sphere. A different picture of a philanthropic organization and philanthropic doing good is portrayed in the study conducted by Nagai (1994). His team looked at spending priorities among foundations and found that “political ideology lies at the core of foundation members beliefs about foundation norms and spending priorities” (p.100.)
Although foundations remain dedicated to their elevated missions of serving public good, a recent trend among philanthropists has been to advocate for a view of grants and donations as venture capital. A new term - venture philanthropy - has been coined to reflect this innovative conceptualization of the philanthropic work. The Annual Report of Carnegie Corporation of New York (2000), for example, explains the enterprise of modern philanthropy as following: “Foundations are in the business of investing in social capital; hence, the necessity of taking risks” (p.10). Quoting John Gardner, a former president of Carnegie Corporation, who encouraged foundations to continue the work, be prepared to take chances, and regard their funds as venture capital despite the fact that sometimes “the new ideas may have more novelty than validity” (p.10), the report confirms the corporation’s loyalty to the ideal of venture philanthropy as it brings “a welcome new set of strategies to grantmaking” (p. 10). Describing the differences between two views on philanthropy, the report continues: “Unlike traditional philanthropies, which make grants to a great many capable organizations with promising proposals, the new philanthropists work intensely with relatively few nonprofit organizations. Traditional foundations fund projects and give free rein to the experts to develop their ideas independently; new foundations often join the boards of directors and may provide day-to day financial and management support. And while established foundations commonly invest in creating knowledge that may not pay dividends for years or even decades, venture philanthropies tend to restrict their investments to worthy causes with outcomes that can be easily measured” (p.11).

In the light of current passion for visible results, quick pay-off, and systemic change brought about via philanthropic efforts, Harvard-based Porter and Kramer (1999) propose for foundations to adopt strategic principles of doing business that would increase the
effectiveness of organizations themselves and of the projects they sponsor or implement.

Their list of recommendations boils down to four points: 1) superior performance in a chosen arena; 2) unique positioning of an organization in a chosen sector; 3) unique activities in a chosen sector; and 4) clear ideas about what not to do (p.121).

As might be expected, the idea of trimming philanthropy to fit a rigid frame of business strategy has its opponents, who suggest another way of structuring philanthropic work. For example, analyzing various projects in the environmental sector, Honadle (1999) recommends a contextual perspective, meaning favoring no program, project, or policy cluster a priori but building them policies upon careful contextual assessment.

2. Statement of the Problem and Research Questions

The role of philanthropic organizations involved in educational projects around the globe has been previously addressed in a number of publications (Berman, 1983; Colwell, 1993; Murphy, 1976; Arnove, 1980). However, a very small portion of analytical attention has been dedicated toward foundations activities in Eastern Europe in general and in Russia in particular. My purpose here is to describe private foundations initiatives – especially those of the US-based foundations - that run educational programs and implement educational projects in Russia. Since the foundations have become most active in Russia during the past decade, I concentrate on the programs that were launched within this time period. The study seeks to describe and critically analyze the relation between broad goals and missions of the foundations, thematic areas they choose to support, and the programs they fund. Four larger US foundations – Soros Foundation, the Ford Foundation, MacArthur Foundation, and Carnegie Corporation of New York – have been chosen as a sample for this study. The grand
question of the study – Do the foundations adjust their program portfolios to new educational contexts? - has been approached in a series of steps, each answering a related subquestion:

1. How is the program portfolio aligned with the foundations’ mission?
2. Do the funding preferences change over time and space?
3. What are the tendencies in the geographic spread of the programs over the given period of time?
4. What have been the thematic areas of educational support?
5. How does the type of support change over time?

4. Research Design and Data Collection

I have conducted the research using a variety of data from foundations annual reports, existing statistical databases of the Foundations Center, press releases, and program documentation. The analysis went through the following stages: firstly, the tendencies in the US giving for international causes were reviewed; secondly, foundations educational activities in a selected geographic region were documented; thirdly, foundations’ recent initiatives in Russian higher education were juxtaposed with their work in other regions at the same time; and finally foundations’ descriptions of the educational projects were compared diachronically.

4. Results

a) US giving for international purposes

Valuable information about the US grant making landscape, emerging tendencies, and patterns in foundations’ activities abroad can be extracted from the numerical data alone. For instance, statistics can tell who makes grants, to what purposes money is given and how large
the grants are, which thematic areas and topics attract funds, what geographic locations are favored, and who are the top recipients. Table 1 summarizes the findings on the US foundations giving.

### FACTS and FIGURES

- **Total US giving**: $15,000 million (2000)  
  $11,574 million (1999)
- **Domestic programs**: 83.7% (2000)  
  88.6% (1999)
- **International programs**: 16.3% (2000)  
  11.3% (1999)
  - Overseas: 6% (2000)  
    3.7% (1999)
  - US based: 10.3%  
    7.6%
- **Median international grant**: $41,500 (1999)
- **Mean international grant**: $115,000 (1999)
- **Education has the largest share of grant dollars**: 7.6%
- **Recipients of largest share of grant money are colleges and universities**

*Source: Foundation Center, 2001*

As evidenced from Table 1, more than eight out of ten grant dollars are given for domestic purposes. The remaining portion is allocated for international programs and is further divided between overseas and home-based programs with the scale begin tipped in favor of the latter type, which means that a bigger portion of money granted with international audience in mind and for intentional causes never leaves the country.

Looking at international expenditures of American foundations, one could quickly—and wrongly—jump into a conclusion that since they do not even come close to the government’s allocations for similar purposes, foundations contributions carry little weight. Quite on the contrary, since early days of foundations involvement in programs abroad, it was clear that the resources and attention of the large foundations, especially the Ford Foundation
and the Rockefeller foundation, can be critical in specific sectors of other societies (Bell, 1971, p.466). Grant money is able to shift the distribution of power; in addition to affecting the relations among different groups in the society, it could affect the relations between the recipient country and the USA. Moreover, due to the direct outcomes of the grants as well as their ‘direct and indirect influence on other actors in world politics”, foundations have positioned themselves as significant actors in the world politics (Bell, p.466.) Although not very much is known about foundations relations with those actors, foundations’ operations are rarely questioned and their motives are not scrutinized. Credit (and blame) is held to rest to grantees that than grantors. As a result, foundations are viewed as non-political, professional, and bland (Bell, p.477). On their part, foundations cast their accomplishments not in terms of money spent (although every annual reports lay out financial side of the philanthropic story), but in terms of creating special opportunities for development, independence, professional growth and the capacities for innovations, reform, and betterment of life.

In terms of thematic areas that donors see worthy of putting money into, the domestic grant picture is gradually getting similar to that of the overseas one as fields supported abroad closely mirror the fields foundations support at home. For example, problems of refugees, of the displaced population, and civil liberties are the relatively new areas of funding both overseas and domestically. Speaking about the funding priorities, foundations stress the global outlook. Thus, for year 1997 Ford Foundation reports: “To meet the challenges of globalization, the Foundation has increasingly adopted a worldwide perspective in its work. For example, while continuing its support for leading international human rights organizations, based in the United States and Europe, the Foundation is helping to build
newer human rights organization in Africa, Asia, Latin America, Eastern Europe, and Russia” (p.79.)

With the distinction between local and global being blurred, foundations start replicating the programs that once proved successful in one context (predominantly, in the US) into many areas where they see similar problems. Sometimes, foundations explicitly state that their program goals “stem from similar core beliefs and assumptions, regardless of locale” (Ford Foundation Annual Report, 1997, p.116). For example, parallel to promoting diversity on the US campuses, the Ford Foundation seeks to addresses diversity issues elsewhere: “The Campus Diversity Initiative is a long-standing grant making effort in the United States designed to enhance students understanding and appreciation of human diversity and its value to democracy. This initiative has also taken root in India.” (1997, p.120) Having noticed the growing international interest in diversity and taking it for the promise of future comparative work, the foundation has funded similar projects in Brazil and South Africa.

A recent Foundation Center report (2002) indicates that the independent foundations - as opposed to corporate and community foundations - favor funding for education, health, human services, and arts and culture. Education, closely followed by health, account for the largest share of total funding. Also, in these areas the number of international grant remains larger than the number of grants in any other area. On a more disappointing note, the report mentions that funding “rebounds” for international education and cultural exchange programs as well as the area studies (International grant making, II, 2000). Intentional affairs and peace and security are no more the main funding areas in the international field. Although they were
the priority areas during the Cold War period and throughout start of the 1990s, in the late 1990s the emphasis shifted towards development.

Area studies has long been sponsored by the foundations in an attempt create knowledge funds and to educate the American public and researchers about various regions of the world. In this respect foundations’ efforts have been fairly consistent over a long period of time. For example, to gain knowledge about Eastern Europe and the USSR in the 1960s and 1970s and to continue training specialists in East European and Soviet affairs, “a grant went to the Social Science Research Council for support of the foreign area fellowship program” and another was made “to help libraries with Slavic collections cope with the increasing flow of publications” (1969 Ford Foundation Annual Report, p.59). Three decades later, the foundation reports: “Since 1951 the Foundation has played a leading role in creating and sustaining the interdisciplinary field of area studies, which has produced new knowledge, trained new researchers and teachers, and helped inform citizens about diverse parts of the world. The map of the world, however, has begun to shift dramatically, area students programs are at a significant turning point as they responds to the challenges of understanding dramatic changes in the world in recent decades and analyze the complex relation between the ‘local’ and the ‘global’” (1997 Ford Foundation Annual Report, p.119).

b) Aid to Russia

The story of the foundations’ involvement in international assistance to Russia and other so-called transitional countries of the region, as they became known in early 1990s, is no less complicated as the developmental story that has been unfolding elsewhere around the globe. The latter has come to the point where the guidelines for developmental policies and
programs formulation have to deal with the visible mismatch between the promises of the theoretical models and the actual path development has taken so far. On many occasions the need has been voiced to re-think theoretical recipes according to which policies are trimmed (Haque, 1999). Yet, developmental ideas continue to be imported without considerable change. As Haque (1999) writes, pro-market reforms, market ideology, and market-oriented programs still dominate over the programs that attend to other than economic dimensions (p.6). Under pressure from such international agencies as the International Monetary Fund and the World Bank, most Third World countries replaced the state-centered programs by market-oriented strategies, changed development objectives from the “overall social progress and nation-building” to “economic growth and productivity”, and altered development priority from “economic sovereignty and self-reliance” to “free trade and foreign investment” (p.8).

After the demise of communist regime in Russian and other European countries, the world turned into a dilemma for the development community: development models designed to tackle problems of the Third World did not seem to readily apply to the countries of the Second World as many crucial elements of those models (for example illiteracy, overpopulation) did not figure prominently in the Second World - highly literate and showing negative population growth. However, when assistance to the Second World appeared on the agenda, advice on what could or should be accomplished was formulated along the familiar lines and followed the trodden path. As J. Wedel (1998) describes, following forty years of the Cold War foreign aid, during which capitalist and communists countries aided the Third World in an attempt to “buy loyalties”, the most available aid programs at the time were those once implemented in the Third World, and almost by default, donors reached out to apply
them to a new set of circumstances. Such a move seemed wise to many Western eyes as the communist countries had been thought to be a wilderness.

Into that void of seeming lawlessness, poured a flood of fixers, consultants, experts, and frauds. Describing the political landscape of early 1990s, Wedel (1998) noted that as soon as transition to democracy “came to vogue”, various groups “rushed to explore, and sometimes to exploit, the new frontier” (p.6). In the West, instant experts on the region and transition sprang up. Indeed, those actually needed and much sought after were fixers: people who could arrange things. Multiple exchange programs were set up to transfer the western know-how in business management, economics, and legal matters in the shortest time possible, ignoring the fact that transplanting know-how and ideas, from one setting into another, is an inherently troublesome process (Wedel, p.6).

Strictly speaking, international assistance with know-how can be conceptualized in two fundamental ways as “a transmission belt”, a conveyor transmitting advice from one side to another, or as “a series of chemical reactions that begins with the donor’s policies, but are transformed by the agendas, interests, and interaction of the donor and recipient representatives at each stage of implementation and interface” (Wedel, p.8). In the latter view, the processes of knowledge transfer from one society to another are understood in a way that insists on keeping programs going for a long time so that the critical mass of knowledge is accumulated before it starts transforming the society. Unfortunately, the quick fix mood of many international consultants and the newly adopted philosophy of venture philanthropy among major international donors ran at cross purposes with the long-term involvement needed for the critical mass of skills and knowledge to finally be accumulated.
Investigating the sudden influx of western assistance to Russia, one can hardly
overlook the fact that legacies of the Cold War and communism played a large part in it, at
times helping to dismantle communist-styles mentalities, yet at other times reinforcing them
via sheer misunderstanding. The mood and enthusiasm of the early 1990s is captured in the
following quotation from the publication in *Foreign Affairs*. Writing on how to redefine world
power after the collapse of communism, W. Pfaff said: “The radiance of western justice and
success is the power that caused the east European nations and the Soviet Union to abandon
what they were and attempt to become what we, the democracies have made of ourselves. The
success of the democracies has compelled acknowledgement and tentative emulation among
the elites of the non-Western nations who until now were inclined to credit the ‘scientific’
claims of socialism and the claims to efficacy of the single party authoritarian model of
government. It is a moment to seize” (1990/1991, p. 47).

At first glance the reason for assisting the Second World appeared to be much the
same as that for aiding the Third World: to hold communism at bay, to ensure economic and
political ability; and to create markets for the West. Yet, assistance to the countries of the
Second World was bound to be more than just keeping those nations out of the “clutches of
communism” (Wedel, p.21). It was about exorcising the legacies of communism itself - a task
that implied more effort on part of the West and required more dramatic and wider ranging
change on part of the East than had ever been expected from the Third World.

The uniqueness of the task was quickly realized in the West, as it could not have taken
long to see that communism does not fall every other day. As E. Cohn points out, “with the
end of the Cold War, … Republicans and Democrats alike were attracted to a framework
developed by the Reagan administration: the US promotion of democracy. The Clinton
administration went further than Reagan and Bush, announcing in 1993 that all US foreign policy would be guided by the doctrine of ‘enlargement,’ aimed at expanding the community of democratic states.” At once, foreign policy officials and agencies started playing a significant part assisting in program development. According to the analysis of the US assistance to Russia and Ukraine, USAID provided economic and humanitarian assistance to advance US economic and political interests overseas while USIA had the mission of explaining and supporting US foreign policy and national security interests to overseas audiences. As for private or philanthropic foundations, their contribution was shaped reinforcing main themes of the US foreign policy (Stetar, 1999.) Accordingly, the peak of foundations’ influx in Europe and Russia coincides with this adjustment to the US foreign policy.

Carnegie Corporation expresses its contribution to policy making in the following terms: “One of the great privileges of a foundation like Carnegie Corporation is the opportunity to stimulate, support, and facilitate the work of scientists, scholars and other experts of the first rank. This, in turn, opens up the possibility of the foundation’s playing a kind of brokerage function, fostering mutually beneficial contact between policymakers in various sectors – government, business, the media – with independent experts in major problem areas” (Carnegie Annual Report 1996, p.22).

Another piece of evidence about foundations’ connections to the foreign policy making bodies come from Stephen J. Del Rosso, a program director of one of the Carnegie Corporation divisions, who said: “attempting to make sense of the security challenge in the post-Cold War, or what is now more accurately called the post-post Cold War era, is an ongoing talk for many foundations, and of course, for the scholars we support and
In the early the top five donors launching programs in Russia were Soros Foundation, Ford Foundation, MacArthur Foundation, Rockefeller’s Brothers Fund, and The Pew Charitable Trusts. The unifying theme running across the foundations’ missions was - and still is - promotion of democracy. Emphasis on democratic values and understanding between people can easily be traced in the foundations’ mission statements. For example, the Ford Foundation defines its mission as follows: “our goals are strengthening democratic values, reduce poverty and injustice, promote international cooperation, advance human achievement” (<http://www.fordfound.org>); Soros Foundations see their work as the effort to “transform closed societies into open ones and to protect and expand the values of existing open societies” (<http://www.soros.org/netfound.html>); Carnegie Corporation works “to promote the advance and diffusion of knowledge and understanding” (<http://www.cargenie.org>); and MacArthur Foundation places its ultimate goal in helping groups and individuals foster lasting improvement in the human condition” (<http://www.macfound.org/about_us/index.htm>).

Promotion of democracy was linked to (and often channeled through) the educational programs since it was found that “spreading information about democracy through education is a cost-effective way to empower people and promote democratic values” and also that Russian universities offer “almost no public policy programs or sophisticated curricula for teaching democracy” and at a secondary school level “Soviet-era ideas and Marxist texts still pervade ‘social studies’ courses.” Another lesson of the early 1990s was that “astonishingly few Russians study in the West: according to the US Immigration and Naturalization Service,
in 1999 there were only 5,329 Russian post-secondary students at American schools. To make matters worse, the US government funded only a fraction of them. These numbers should be increased tenfold” (Colton and McFaul, 2001).

Foundations themselves describe the enterprise as following: “Within months of the fall of the Berlin Wall in 1989, new governments were revising their constitutions and legal systems and developing market economies. The challenge facing these countries are particularly daunting since some degree of painful economic dislocation inevitable accompanies the transition to new systems. In an effort to address these challenges, foundations have helped renew university teaching programs in economics and other social sciences, provided expert advice, and created new organization to have grant to nonprofit groups in the emetine nonprofit sector. (1993 Annual Report Ford Foundation, xiv- xv.)

Realizing the difficulties and differences of the situation in Russia, foundations were apt to locate similarities in order to justify the appropriateness of their programs in the new context. The Ford Foundation put up the following explanation: “The challenges confronting Eastern Europe and the former Soviet Union after communism differ in many ways form those following the dismantling of apartheid in South Africa. … Yet some similarities bear mentioning. The reform agenda in Johannesburg, Moscow and the capital of Central and Eastern Europe all seek to establish representative democracy based on the equality of all citizens, respect of human rights, and the rule of law. … To bolster democratic institution and integrate international human rights standards in domestic law and practice, the foundation supports technical assistance to legislators, training of judges and lawyers and efforts to reintroduce trail by jury in Russia. We are also helping to revitalize the social sciences and
legal studies, believing that they can provide the knowledge necessary to analyze and resolve the problem of transition.” (1994 Ford xiv-xv)

Under the umbrella topic of democracy promotion, programmatic activities ranged from training and technical assistance, to policy-related research, to library collection purchases. Yet, as Table 2 demonstrates, almost half the grant money was allocated on the program support.

<table>
<thead>
<tr>
<th>type of support</th>
<th>$ value of grants</th>
<th>%</th>
<th>No. of grants</th>
<th>%</th>
<th>average $ value of grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>general support</td>
<td>$1,605,269</td>
<td>13.9</td>
<td>$17,547</td>
<td>16.2</td>
<td>$91,484</td>
</tr>
<tr>
<td>capital support</td>
<td>2,810,809</td>
<td>24.3</td>
<td>13,425</td>
<td>12.4</td>
<td>209,371</td>
</tr>
<tr>
<td>program support</td>
<td>4,930,081</td>
<td>42.6</td>
<td>38,433</td>
<td>35.5</td>
<td>128,277</td>
</tr>
<tr>
<td>Research</td>
<td>1,319,091</td>
<td>11.4</td>
<td>6,792</td>
<td>6.3</td>
<td>333,525</td>
</tr>
<tr>
<td>student aid funds</td>
<td>559,221</td>
<td>4.8</td>
<td>3,955</td>
<td>3.7</td>
<td>82,335</td>
</tr>
<tr>
<td>Other</td>
<td>243,752</td>
<td>2.1</td>
<td>1,126</td>
<td>1.0</td>
<td>526,462</td>
</tr>
<tr>
<td>not specified</td>
<td>2,344,4807</td>
<td>20.3</td>
<td>37,666</td>
<td>34.8</td>
<td>62,253</td>
</tr>
</tbody>
</table>


Table 2. Type of support

The thematic areas in which foundations currently operating in Russia make grants and implement programs are summarized in Table 3.
The point here is to demonstrate that there is no unique cluster of thematic areas that foundations consider crucial as well as no single way is selected to provide assistance. Instead, the foundations cover a broad array of themes since it is highly unlikely that one particular area will prove to be best way to assist the country.
During the first half of the decade, there was considerable and almost unquestioned enthusiasm for Western assistance and Western way of doing things. In the late 1990s, however, while enthusiasm was still considerable, skepticism started to show up feeding on a growing awareness that unfamiliar with the local context foundations and their advisers could be of little use to the decision makers overwhelmed by the ever emerging problems (Quigley, 1996).

From the very beginning, foundations have been characterized by freedom of action in governance as well as in determining programmatic priorities, design and implementation of their projects. Even though at present, many of the foundations regional offices employ Russian citizens, the philosophy of the programs has not experienced radical changes. Foundations continue to adopt a proactive style of funding, which means that they have ideas about what kinds of projects to support and grant recipients have a little say in re-directing the focus of a program. However, foundations’ priorities have not remained the same over the past decade. Coming into the region with hopes to arrange quick fixes, foundations turned out to be involved in a longer commitment. An understanding that throwing lifelines could not last forever made them aim for more systemic changes as Table 4 demonstrates.

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>FUNDING FOCUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992–1994</td>
<td>emergency help, individual and group grants</td>
</tr>
<tr>
<td>1995–1996</td>
<td>matching grants, infrastructure (libraries, telecommunications)</td>
</tr>
<tr>
<td>1997</td>
<td>institutional funding and institutional reform</td>
</tr>
<tr>
<td>1998 to present</td>
<td>support for reform</td>
</tr>
</tbody>
</table>

Table 4. Programmatic priorities
c) Recent initiatives

One of the recent initiatives in Russian higher education jointly sponsored by the Russian
Ministry of Education and Carnegie Corporation of New York together with Macarthur
Foundation - Basic Research and Higher Education Program - is the result of the foundations’
re-conceptualizing of the aid to Russian education. It seeks to transform the training of
Russian scientists by establishing research and education centers in selected institutions of
higher education. “If the program works, it could transform the Russian scientific community,
predicts Harley Balzer, director of the Russian areas study program at Georgetown
University.” (Science, May 29, 1998). To many observers, the program is a logical step in the
efforts to sustain Russian higher education and science. According to the same source,
foundations consider that “it is necessary to start helping Russia stand on its own feet”. That
means devising a program that helps Russia make structural changes to its research and
education system.

Having started with a single experimental station in 1998, the program currently
supports 12 centers - each for a period of three years. Four additional awards are expected in
year 2002, and the sponsors hope to expand the program to as many as 14 more universities
countrywide. “The BRHE prom council, a 18-member body composed equally of Russian and
US science and education experts, would draw up a list of about 60 eligible university
departments and solicit proposals for Research and Education Centers, roughly modeled … on
the US National Science Foundation’ science and technology centers – interdisciplinary,
university-based centers each devoted to a particular line of research” (Science, May 29,
1998).
The ultimate goal of the program is to break down a firewall between the Russian Academy of Science – a 300-plus research institution network where much of the country’s best research is still carried out -- and the universities, which generally lack world-class scientists. The challenge is formidable especially if one takes into account the fact that the division between research and teaching that the initiative aims to mend dates back to at least late 1720s when the Academy was established as a place for Russia's top scientists to work free from the demands of teaching. Yet, “as there is a strong opinion among scientists in Western counties that the most productive and highest quality research occurs where senior researchers and young students work closely together” (a particular strength of the American university system), the building up of research universities is thought to be “a healthy reform” in Russia (Dezhina & Graham, 1999). Whether or not the new model takes root remains to be seen as no research center has ‘graduated’ yet from the program to show its viability.

Despite the program’s high mission, it focuses on a very narrow range of disciplined as shown in Table 5.

<table>
<thead>
<tr>
<th>Subject Area</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>physics</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>biology</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ecology</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>material technology</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>bio-technology</td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

*Table 5. BSHE's subject areas*

Moreover, started with a good geographical spread of the supported universities, within the two years the BSHE program gravitated toward the central universities (See Map 1
in the Appendix), which already have some research facilities (thus making the task of establishing centers easier) but which are presently losing student population due to high cost of living in central cities: most students cannot afford to study far from their homes. Right now, the educational system in Russia is shifting toward more widely distributed education in the country, in contrast to Soviet times when the majority of outstanding students went to the best institutions in a few large cities. If left to develop as it is, the current tendency may in the long run lead to improvement of the quality of local institutions. The support from BSHE - which tends to favor central universities - reinforces the Soviet times’ tradition of Moscow and St. Petersburg ‘cherry picking’ best students.

Another promising initiative has been recently extended to Russia by the Ford Foundation, namely, its International Fellowship Program. Its purpose is to help individuals “to receive a graduate degree at the universities of their choice”. The spectrum of its supported subjects is broader than what we saw with the Carnegie and Macarthur Foundation’s initiative: out of 15 total program areas, six areas were supported during the first year, and the following year the grants were made in 12. However, in the successive years only thee areas have been supported continuously. Out of six subject areas the program started with, three were dropped, and 10 new areas were supported. But again, aiming at underrepresented and underprivileged population, the program has selected so far very few scholars who live outside Moscow and many cities of the central region and would indeed have no access to higher education institutions.
However, the program's drawbacks noted here, could have been written off due to its novelty, if not for more serious discrepancies. A brief look at the IFP program description in the press releases reveals an interesting feature. The description starts by saying that the program provides opportunities for advanced study to exceptional individuals who will use education to become leaders in their respective fields, furthering development of their own countries and greater economic and social justice world wide.” This is a truly noble goal. And keeping in mind that ‘no organization can be all things to all people,” (Porter & Krammer 1999) it is understandable that the criteria of selection states that “fellows are chosen on the basis of their leadership potential and commitment to community or national service as well as for academic excellence”. The selected candidates then “may pursue any academic discipline or field of study that is consistent with the interests and goals of the Ford
The alarm goes off as the press release continues: “This education will help prepare the Fellows to become leaders in pursing positive change on issues that further the Ford Foundation’s goals of strengthening democratic values, reducing poverty and injustice, promoting international cooperation, and advancing human achievement. [...] Since IFP (International Fellowship Program – N.K) works closely with the Ford Foundations’ overseas offices, the program is restricted to those countries and territories outside the United States where the Foundation conducts its field base activities.”

So calming to help the country’s future leader and to assist in development, the foundation designs a program and casts it in term of pursing (“furthering”) its own goals, redirecting by this the field of 15 disciplines so as to suit its own interests.

The grants’ and programs’ descriptions found in annual reports build up a record and an image of highly honorable work. In many cases foundation’s work is the only effort ever produced to pull resources together to change the situation. Yet, when one reads grant specifications carefully, two trends appear: first, that the local context for which the program is planned does not really matter; and second, that beneficiaries of the grant are most often American universities and organizations who are given money either to carry out work overseas or to educate the American public and policy makers about the country they are going to assist. A quote from the Boston Globe brings evidence that when foundations went to transform former communist countries to democracy, their methods remained intact: “As the emerging democracies of Eastern Europe and the Soviet borderlands begin to revamp their
economies, they are asking for Western advice, and overwhelmingly, are getting it from one place: Harvard University." (April 15, 1990, p.1)

Table 7 presents a list of grants made to support, as the foundations annual report reads, higher education in the former Soviet Union by the Carnegie Corporation of New York in the FY 2000. The table shows the recipients, amount of grant money and the purpose of the grant:

<table>
<thead>
<tr>
<th>Project</th>
<th>Recipient</th>
<th>$ Amount</th>
<th>Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Scholar Program in Russia</td>
<td>Civic education project, New Haven, CT</td>
<td>350,000</td>
<td>To strengthen higher education in the former soviet unit, the eastern scholar program of the civic education project helps western-trained academics return to positions at their home universities by providing them with financial support, teaching materials and professional development assistances.</td>
</tr>
<tr>
<td>Journal Donation project</td>
<td>New school university, New York, NY</td>
<td>258,000</td>
<td>Assists libraries in the former Soviet Union in obtaining English language social science and humanities research journals.</td>
</tr>
<tr>
<td>Project on political Islam in Russia</td>
<td>Center for Strategic and International Studies, DC</td>
<td>100,000</td>
<td>The center is examining the rise of political Islam in Russian and its impact on general political and social development in the country.</td>
</tr>
<tr>
<td>Program in Soviet and post Soviet studies</td>
<td>UCB</td>
<td>300,000</td>
<td>Supporting graduate students fellowships, a bi-weekly research seminar, visiting appointments and publication of graduate student working papers.</td>
</tr>
<tr>
<td>Study group on state building in Russia</td>
<td>George Washington University, DC</td>
<td>250,000</td>
<td>Supports a study on state building in Russia. The study is aimed to provide US policy makers with guidelines for assisting region more effectively.</td>
</tr>
<tr>
<td>Black sea program</td>
<td>Harvard University</td>
<td>464,000</td>
<td>To assist post soviet countries in building bureaucratic infrastructures that can support political and economic institutions congruous with pluralist democratic society, bring together military and civil officials from the region and experts from the US and other western nations for conferences and workshops and address economic and military reform, cooperative security, and region strategic issue.</td>
</tr>
</tbody>
</table>

Table 7. Grant for FY2000 to higher education in post-Soviet countries by Carnegie Corporation.

One cannot fail to notice that none of the recipients is a Russian institution of higher education as the grant category might suggest. How does the foundation reason about such a peculiar allocation of grants? The answer once again should be sought for in the interests
foundation pursue, the specifications of the foundation’s policy and the underlying assumptions about the kind of work and efforts needed in assistance to post-Soviet countries.

d) Foundations’ rhetoric

Knowing that foundations’ involvement in educational programs abroad is not a recent development, we compared the rhetoric used by foundations in different time periods. The patterns stays remarkably unchanged. For example, the report by the Carnegie Corporation on the current and future challenges in Russia (2001) says:

“US agencies should support a board array of training, education, systematic data collection, and professional exchanges for well-trained cadre of promising Russian policy analysts and technical specialists [...] These programs would be designed to produce a ‘train the trainers’ effect, providing opportunities for the study and observation of Western practices, and the subsequent incorporation of new lessons into the training and practices of Russian professional communities. (p37) [...] (emphasis is mine. - N.K.)

The package of recommendations highlighted here strongly resembles those the Carnegie, Ford and Rockefeller Foundations promoted in mid 1950s in Africa, emphasizing programs that 1) lead to creation of the universities located in the areas considered of strategic or economic importance to the US; 2) place and emphasis on social science research and related panning programs; 3) create programs to train public administrators; and 4) shuttle foreign nationals to selected universities in the US for advanced training and return them home to assume positions of leadership at local universities (Berman, 1980).

In the following quotations from the 1969 Ford Foundation Annual Report, the organization’s goals and programmatic priorities are outlined: A change in the strategy of
Foundation aid … is a gradual shift in emphasis **toward research and analysis** of basic problems confronting less-developed countries. … The counterpoint to activities abroad is foundation-supported research and teaching in the United States and Europe **about** the less developed regions. The aim was, and is, to expand the fund of knowledge about these areas so that they can be more effectively assisted by the economically advance countries, and so that **specialists and leaders** in the poorer countries can **better understand their own problems and help themselves**. (The Ford Foundation Annual Report, 1969). How was that goal implemented? Consultants were provided and grants for exchange of faculty between the universities and start a program that would provide overseas training for foreign faculty members were made (p.59-60), and the bigger portion of grants went to the American universities that would organize centers for studies of such and such region or set up a program to train international scholars.

Despite the time span between the two cited documents, foundations rhetoric is unmistakably recognizable; and - we can conclude - its thinking about its assistance and the forms it may take have not been altered much. The funded activities match almost in a one to one fashion. The set of measures once tried out elsewhere is applied - almost by default - to the territory that foundations have not developed yet. In a similar vein, Arnove (1980) writes that Ford foundation traditionally preferred to send nationals from ‘less-developed countries’ to large North American universities such as Chicago, Stanford, or Harvard because “the training they will receive accords with its notions of professionalism and scholarship. At the research bases in the United States the students learn the respectable ways of viewing and analyzing development problems.” The entire process of graduate education will “socialize” students into professions and learned traditions with their dominant assumptions, approaches
and research methodologies. “One likely outcome of this training,” he thinks, “is that oversea nationals will tends to view development problems from the same perspective as their North American and European counterparts – which is to say they will be more pragmatic and less ideological” (p.316.)

5. Discussion
Foundations’ funding patterns and a peculiar packaging of program portfolios prompted many people to suspect that the foundations influence extended beyond their acknowledged activities. Berman (1983) documented the scant evidence that supports this contention. Having conducted an investigation in the foundations archives, he reports that “perusal of some material ... strengthened the suspicion concerning the foundations influence in decisions affecting not only United States domestic policy, but the determination of foreign policy as well” (p.2). Foundations are not simply the players affected by the foreign policy of their country of origin; they are actively involved in formulating those policies. Analyzing the data of foundations involvement in the developmental efforts in Africa, Berman concluded that foundations further their goals by encouraging certain ideas congruent with their objectives and by supporting those educational institutions which specialize in the production and dissemination of these ideas (p.3). Over the years foundations have perfected methods by which their educational and cultural programs would complement the cruder and more overt forms of economic and military imperialism (p.4). In addition, his analysis traced participation of foundations officers in the framing of the foreign policy decisions and implementing overseas program and found that overlapping spheres of influences is not a
singular occurrence and has developed into as a symbiotic relationship linking the decision-makers in governmental agencies, corporate boardrooms, and foundations officers (p.7).

Berman also demonstrated that foundations representatives frequently conferred to insure that their efforts would be complementary rather than competitive. Such a form of mutual agreement and stipulation of spheres of influence let big American foundations - Carnegie, Ford and Rockefeller - “divide among themselves institutional areas where they felt capable of making the greatest contribution. Thus, The Carnegie Corporation concentrated on teacher education and the strengthening of libraries; the Ford Foundation - on the social sciences and public administration, and the Rockefeller foundation - on the social, national, and biomedical sciences” (p.8). Other writers cast this situation in terms of division of labor among assistance agencies; for example, Bell (1971) remarks that the Ford Foundation “purposefully withholds assistance from fields already relatively well-covered, such as public health and medicine, in favor of areas as yet uncovered” (p.473).

In a present-day Russia, coordination of effort among foundations has grown into a controversial story. The foundations employees assure that projects and programs are under strict control and who is doing what is being closely monitored (personal communication). Yet, the materials from the Moscow workshops on donor coordination provide enough evidence to suspect the opposite as the speakers - representatives of major foundations currently working in the country - constantly raised the topic of coordination and collaboration among the donors in order to avoid replication of the programs and to share information about successful and failed projects. Practically speaking, reducing program duplication would require each foundation to review other donors projects before releasing a request for proposals.
The efforts in coordinating assistance have not been successful so far since the problem is seen to be a technical one: the lack of database on the doors’ projects and programs. As Wedel (1998) explains, no database or technology, no matter how sophisticated, could overcome the fundamental reality that programs were set up to serve the strategic and cultural agendas for individual donors. Technical mechanisms could not provide incentives to solve problems that were fundamentally political (p. 33). Yet, creating electronic databases to encourage donor cooperation continues to figure as the recommended measure for improving of coordination between assistance agencies in the country. There are two ways to interpret this outcome; first, that the Russian case is not political and therefore technology can help set-up communication, and second; that real coordination is not in the interests of donors. Taken into account all said in the above, the first interpretation has to be rejected. What is left is the less favorable second one. It strongly suggests that foundations do not revisit and reformulate their agendas when doing work in Russia. Each carries out projects that best promotes its own interests.

6. Conclusions

Writing about the international role of Ford Foundation, Bell (1971) says, that grants are the Ford Foundation’s principal instruments of policy; yet, they are imperfect instrument of fulfilling the foundations goals. It is the recipients who must fulfill the objectives of the grants, and often the objectives are in terms of more freedom and autonomy (even from the foundation.) Moreover, straight-line solutions to the foundations lofty foals are impossible. Foundations officers are usually compelled either to take some leaps of faith in justifying
grants or to settle for more modest and immediate justifications on the terms of the grantee institutions (p. 473).

Looking over the period of last decade, what are the outcomes of the foundationss presence in Russia? First of all, there has been a lot of positive development in the educational system due to foundations’ involvement. The whole enterprise of grant writing and open competition for funds was introduced. In addition, peer review – previously unknown – is becoming a commonly accepted practice. Thanks to foundations, libraries’ collections have been updated with new books, journals and online subscriptions. Many research libraries and universities have received an access to the Internet. Research facilities have been built. And lastly, many Russians received training or completed their education in the West.

What can be concluded about the future of foundations work supporting education in Russia? The discussion in the above seems to indicate that the foundation assistance will probably continue, although foundations are likely to support higher education in central regions more eagerly than schools in the remote parts of the country. More projects for education for democracy and human rights trainings are likely to emerge. But by and large, support will be continuingly based on political consideration.
References


