

The Atlantic
Philanthropies'
**Higher Education
Synthesis**
Executive Summary

Susan Parker
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The Atlantic Philanthropies' Investments in Higher Education

The Atlantic Philanthropies was founded by entrepreneur Chuck Feeney, who decided in 1982 to devote his wealth to the service of humanity. A champion of Giving While Living, Feeney has long maintained that people of wealth should use it to better the world during their lifetimes. By the time it concludes its operations in 2020, Atlantic will have invested more than \$8 billion to advance opportunity and promote equity and opportunity across the globe. Over 35 years, the foundation made grants totaling \$3.8 billion to universities, some \$2 billion of which supported the infrastructure of higher education – buildings, faculty, and programs such as scholarships – that was underpinned by a belief that education is an essential accelerator for individuals and societies. This report was commissioned by Atlantic to tell the story of that higher education grantmaking in six corners of the world: the United States, the Republic of Ireland, Northern Ireland, South Africa, Australia, and Viet Nam. Atlantic also made grants to universities which advanced the foundation's aging, children & youth, population health, human rights and reconciliation and founding chairman initiatives; those investments are not covered in this report.

An Overview in Numbers and Key Grantee Accomplishments

Total Investments	Grant Count	Average Grant Amount
\$2 million	To come	To come

United States

- Cornell University made use of nearly **\$1 billion** in investments to undertake transformative changes, including a targeted scholarship fund, construction of new residential housing and library, hiring of new faculty, and the first stage of a **\$2 billion** Cornell Tech campus in New York City.

Republic of Ireland

- The **\$177 million** investment in the Republic of Ireland's university research infrastructure helped leverage six times that in **\$1.3 billion** in government funding and a direct commercial return on investment of **\$2.4 billion**
- The investment in higher education in the Republic of Ireland helped propel the country to a top 20 ranking in the world in terms of scientific research and the top five in areas such as immunology, genetics, and nanotechnology.

South Africa

- A matched funding strategy leveraged more than **\$826 million** and ended a 15-year South Africa government moratorium on spending for higher education infrastructure.
- The development of the University of the Western Cape, including its Life Sciences Building, now produces the largest number of black and female graduates in South Africa, and leads the continent in physics, biology, biochemistry, molecular biology, nanotechnology, and genetics.

Northern Ireland

- The **\$71.8 million (£47 million)** investment in Northern Ireland's university research infrastructure to Queen's University and the University of Ulster generated **290** high quality jobs, some **£140 million** in investment.
- The investment in Northern Ireland bolstered research centers, including the Centre for Cancer Research & Cell Biology at Queen's University Belfast, and the Centre for Molecular Biosciences at the University of Ulster, both of which became top-ranked centers.

Viet Nam

- Four learning resource centers at major regional universities in Viet Nam – updated, modern libraries – serve as hubs for learning as well as community gathering places.
- Vietnam's first foreign-owned university grew from **31** students in **2000** to **6,000** in 2016.

Australia

- Building science and engineering facilities and multipurpose halls in Australia have helped students and faculty more easily collaborate and meet.

“The university is the most significant creation of the second millennium. From modest beginnings over 900 years ago, it has become the quiet but decisive catalyst in modern society, the factor essential to its effective functioning and well-being. The university promotes neither political action nor government policy, but it provides the knowledge and data on which both are developed. It manufactures no products, but it creates the science and technology on which these products depend. It produces no mass circulation newspapers, magazines or television programmes; but it trains their publishers, writers and producers. It informs public understanding, cultivates public taste and contributes to the nation’s well-being as it nurtures and trains each generation of authors, business leaders, engineers, farmers, lawyers, physicians, poets, scientists, social workers and teachers—as well as a steady succession of advocates, dreamers, doers, dropouts, parents, politicians, preachers, prophets, social reformers, visionaries and volunteers—who leaven, nudge and shape the course of public life.”

Frank H.T. Rhodes, *The Creation of the Future*

Introduction

In more than 35 years of grantmaking, The Atlantic Philanthropies focused on expanding knowledge opportunity, fairness, and equity. To help fulfill that mission, some \$2 billion of Atlantic’s total \$8 billion investments went to further higher education. Through its higher education work, the foundation initiated new approaches to its grantmaking, such as partnering with government, that Atlantic later applied to other program areas, such as health and children and youth.

Atlantic Founder Chuck Feeney, who spearheaded much of Atlantic’s higher education funding, relied on his entrepreneurial instincts in choosing its investments. When he came across “promising people and conditions”—good ideas ready to take off and backed by strong leaders—Atlantic funded them. But he also was driven by a larger vision. He saw and had experienced higher education as a platform for positively influencing the trajectory of people’s lives, societies, and economies.

Starting in the United States, Atlantic’s higher education investments eventually spanned seven geographies. Atlantic’s funding helped transform the higher education landscape in both the Republic of Ireland and Northern Ireland, and boost the infrastructure and stature of Cornell University, Feeney’s alma mater. Atlantic also contributed to thoughtfully designed spaces that brought students and faculty together and sparked learning at universities in a number of countries, including South Africa, Australia, and Viet Nam. Funding underwrote initiatives that gave students a leg up while rewarding work and service in the United States, and enabled institutions to grow their fundraising capacity needed to sustain their missions.

Learnings

These are some of the key learnings gleaned from Atlantic’s work in higher education:

- 🔸 **Investing in under-resourced or under-valued environments where transformational change is possible can pay huge dividends.** A lot of Atlantic’s grants resembled classic value investing. Atlantic’s investments in Ireland—a small country with a handful of universities and a government ready for change—made a real difference. Because the conditions were right for such a change, Atlantic’s money went further than had the foundation attempted something similar in the U.S. The same was true of under-valued universities and leaders in which Atlantic invested. Atlantic saw, through its hits and misses, that when the foundation focused on under-resourced environments—and the conditions exist for change—its investments have a lasting impact and multiplier effect.

For example, in Ireland, Atlantic invested in an up and coming but overlooked higher education institute in Limerick. Its leader’s big vision for the institution included receiving full university status. Limerick’s buildings at the time were run down and did not provide a conducive environment for the best learning or teaching. Atlantic’s investments in new buildings and accommodations, including a new campus and sports and cultural facilities, helped Limerick grow its student body from 735 in its early years to more

than 17,000 today. The institute gained full university status in 1989. It was named 'University of the Year 2015' in the *Sunday Times* Good University Guide because of its record in graduate employability, strong research commercialization, and a €52-million project in science and engineering.

On an even larger scale, Ireland itself provided an ideal setting for Atlantic to make one of its most impactful investments. After years of under investing in graduate research, the government in the mid-1990s was ready to begin putting some desperately needed funding into its research infrastructure, which was critical for the country to keep its brightest minds and attract multinational companies.

Atlantic pushed the government to think bigger in its new investment and, as an incentive to do so, agreed to partner with it on a program aimed at expanding the capacity of Ireland's higher education institutions to carry out research of an international caliber. The initiative was called the Programme for Research in Third Level Institutions, or PRTLII. The program helped seven Irish universities and the Royal College of Surgeons develop into world-class research institutions. Ireland is now ranked in the top 20 countries in the world in terms of scientific outputs and the top 5 in areas such as immunology, genetics, and nanotechnology.

◉ Leverage is one of the most powerful tools to achieve large-scale impact. While Atlantic's resources were significant, the foundation felt it had the most impact when it partnered with others, particularly government as well as universities and other grantees. Atlantic's partnerships with governments in Ireland, Australia, and South Africa led to significant shifts in how they approached their funding. Atlantic also found that asking universities, and later donors, to co-invest in projects significantly extended the reach of these investments.

In Atlantic's partnership with the Irish government, the foundation's \$177 million investment yielded nearly six times that amount with \$1.3 billion in government funding. Additionally, a 2011 independent study by PA Consulting found that the research program resulted in a direct return on investment of \$2.4 billion. Evaluators credited that to Ireland's commitment to research and its output of doctoral students, which helped persuade multinational corporations the country possessed the capacity to carry out the research and development required by these businesses.

In the U.S., a \$350 million Atlantic grant funded the first stage of Cornell Tech, a \$2 billion applied technology campus in New York City. Cornell Tech, envisioned as the foundation for a Silicon Valley of the East, will have direct ties to industry, public school systems, and government agencies. It is expected to spur the creation of 38,000 permanent jobs, some 600 spin-off companies, and produce \$23 billion in economic activity. It may also serve as a model for other cities seeking change.

Leverage can play out in other ways as well. Much of Atlantic's investments in higher education went for buildings that helped unleash the human capital of the researchers and students who worked in them. For example, Atlantic helped fund a new Life Sciences Center at the University of Western Cape (UWC) in South Africa, a university created during apartheid to prepare people of color for jobs as clerks and teachers. The new Life Sciences Center, featuring state-of-the-art equipment, helped UWC establish a global center for the study of traditional medicine, a bioinformatics institute, and also produce the largest number of black and female science graduates in South Africa.



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That, in turn, has increased the stature and ranking of UWC. The South African National Research Foundation has ranked the university first for research impact in biology and biochemistry, molecular biology and genetics, and physics. In 2018, the *Sunday Times* had UWC ranked in the top 10 universities in Africa and in its top 5 percent of the 2,000 universities in the emerging economies of Brazil, Russia, India, China, and South Africa.

Additionally, Atlantic insisted that the South African government match its grant ending a 15-year moratorium on government spending for higher education infrastructure.

❖ **However, using leverage through matching requirements can have some downsides as well.** At times, tilting government dollars to capital projects with the attractive lure of foundation matches can shift public policy away from funding human capital, such as faculty and teachers, which are also crucial components of higher education. Atlantic learned that matching should be done with an appreciation of trade-offs and an informed rationale for making its choices.

❖ **Atlantic found that some of its most impactful investments came when the foundation supported leaders to help them make *their* vision a reality and help build capacity.** Following the founder's example, program officers listened, asked a lot of questions—often hard ones—did their due diligence, and then let the grantees carry out the work they thought was most important. Initiatives that seemed to be more long-lasting started with a grantee's passion for change, not Atlantic's.

For instance, Atlantic provided early and pivotal support to Howard Gardner at Harvard University who was just beginning his ground-breaking work in multiple intelligences. For more than a decade, Atlantic supported Project Zero, the organizational home to Gardner's work, with funding sometimes exceeding \$1 million a year. In a 2013 history of the program, Gardner said Atlantic's support fundamentally transformed Project Zero, laying the groundwork for long-term stability. He also noted that Atlantic was helpfully "hands-off" and did not tell him or his colleagues what to study or how to go about their research.

Similarly, Atlantic funded a number of efforts to increase diversity in U.S. universities and colleges. A 2002 evaluation¹ found that many of these efforts seemed to quicken and move forward programs that grantees already had underway. One of those efforts, The Compact for Faculty Diversity, works to increase the number of minority faculty in higher education. An external review of the work, funded by The Ford Foundation, another funder of the Compact, found that the Compact had been "extraordinarily successful in designing programs that ensure the success of underrepresented populations in doctoral studies and in pursuing faculty careers."



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¹ Alberg Graham, P, Guskin A, Johnstone B, Smith D and Bacchetti R. *A Report to The Atlantic Philanthropies (USA), Inc on a Twenty-Year Review of its Grantmaking in Higher Education*, October 2002.

- Investing in an initiative over time—at least five years and often longer—made a much bigger impact than shorter investments. Trying to make any change is hard, particularly in institutions and systems. Investing for only a few years is simply not long enough to secure lasting change.

Atlantic's investments in higher education in Ireland and Northern Ireland led to substantial changes, in part because its funding spanned nearly 20 years. That gave Atlantic the opportunity to understand the environment in which it was funding, as well as allowed grantees sufficient time to make real changes. Similarly, in South Africa, Atlantic provided core support initially for a few universities to develop fundraising capability. Atlantic later funded a leader of one of those universities to develop an institute—Inyathelo—to help other universities learn how to raise funds. That support, which lasted more than a decade, helped create needed expertise at South African universities in development and provided opportunities for other foundations to confidently support major capital campaigns that helped transform South African universities.



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Conversely, Atlantic's investments in Viet Nam came near to the end of its higher education work. Because of the decision to stop funding higher education in 2002, those grants ran for a much shorter period of time. As a result, Atlantic left its higher education work in Viet Nam before it could make a sustained impact there as it had in other locations.

For instance, Atlantic made substantial investments in a number of learning resource centers, or modern libraries, in Viet Nam. These learning resource centers are part of a larger university system and their sustainability depends on the university taking over the funding for upkeep. Unlike in other geographies, Atlantic did not spend time working with universities or the government to put into place agreements or structures to help increase the chances that the foundation's investments would have a lasting impact.

- Buildings can transform a university experience and attract world-class talent.** A cornerstone of Atlantic's funding in higher education was helping create iconic buildings to better allow students and faculty to pursue their work as well as to serve as a symbol for a university's aspirations. At Cornell, Atlantic funded a number of such buildings, including new freshman dorms and upper-class houses. These spaces helped create a sense of community and cohesion among students, which Atlantic's founder knew was crucial for getting the most out of college life.

In Australia, Atlantic's investments at the Queensland University of Technology helped bring together the school's science, technology, engineering, arts, and math disciplines, which had been housed in five separate buildings, limiting interdisciplinary collaboration. The funding underwrote construction of two 10-story towers linked underground so students and faculty can more easily collaborate.

The structures also feature a recreation center with a swimming pool and a plaza that includes a bookstore, restaurants, and day care. The new complex has helped attract more funding, faculty and students. In 2016, the science and engineering department saw its highest demand for enrollment with some 10,000 students signing up for courses.

- Letting others name a building builds value.** Forgoing the opportunity to put a donor's name on a building makes it easier for the institution to seek additional funding with the prospect of naming rights. For example, Atlantic's \$350 million funding for the first phase of construction of Cornell Tech came without naming rights, which helped attract \$133 million from Irwin Jacobs for the Jacobs Technion-Cornell Innovation Institute.

❖ **Anonymity had some pluses, but in the main may have had more drawbacks than positive aspects.** For nearly the entire duration of Atlantic's higher education work, the foundation operated anonymously. Anonymity in the early years enabled staff to scout promising opportunities without being barraged by unsolicited requests, and allowed the foundation to bring in other donors who wanted naming rights. However, it also limited Atlantic's ability to partner with and exchange ideas with other funders. Grantees also could not use the credibility of a major funder backing them when soliciting additional funds. Additionally, Atlantic's anonymity made it difficult for grantees to connect with each other and draw synergies from their work. Atlantic also may have had more success in replicating some of its early programs if it had not been operating as an anonymous foundation.

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❖ **At times, Atlantic might have given too much money to Cornell because of Chuck Feeney's deep ties to the university.** Some Atlantic staff said that because of Feeney's close bonds and loyalty to Cornell, they may have been less rigorous about some projects Cornell leaders pitched to the foundation than they would have been typically.

Even the savviest entrepreneurs may not apply the same rigorous rules to their alma mater or organizations with which they have an emotional connection as in other business decisions because of a soft spot for a place. The larger questions it raises when seeking to bolster a beloved alma mater is how much is enough to make an impact, and were there ways that Atlantic could have been more effective in achieving its goal of building the institutional capacity of a worthy university?

❖ **Atlantic's focus on funding infrastructure and leaders might have led to some missed opportunities in funding efforts to increase access to higher education.** Like all funders, Atlantic knew that by making its strategic choices it was choosing not to fund other worthy opportunities. Still, in retrospect some foundation leaders said it might have been wise to put more emphasis on access to education. While the foundation did make some investments in this area, its focus overall was not directly on increasing access for those who may have needed some assistance in attending and graduating from college. Atlantic primarily supported large private universities with full-time students in the belief that that is where changes would come.

When Atlantic's founder asked for a visionary plan for Ireland's higher education system, Atlantic's country director prepared one that included a major focus on increasing access to college. That proposal did not go forward largely because the work of bolstering university research in Ireland—which involved complicated negotiations with the government—became Atlantic's primary focus. On reflection, some Atlantic staff said they regretted not putting emphasis on increasing access to higher education in the country. Even today, the composition of the Irish university population continues to largely skew towards the “haves” to the disadvantage of the “have nots.”

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❖ **The evaluators of the U.S. program – and some Atlantic staff – wondered if the lack of a board-approved strategy to guide this work, coupled with the foundation’s opportunistic approach to grantmaking, anonymity, and reliance on a small staff, cost it the opportunity for making a greater impact.** For example, the evaluators said that Atlantic’s approach to staff size seemed to be more of a reflexive aversion to infrastructure than a result of assessing what a successful implementation of Atlantic’s vision and mission would require.

Atlantic’s approach to evaluation was also sporadic and the foundation did not typically carry out follow up studies to learn about the lasting impact of some of its investments. In hindsight, a more systematic and ongoing approach to evaluation could have given the foundation a clearer picture of how the work was going in some geographies, whether it needed to make mid-course corrections, and the impact of its investments.

Conclusion

Atlantic’s \$2 billion investment over more than 30 years in higher education led to some transformative changes, most notably in the basic research landscape in Ireland and Northern Ireland, and at Cornell University. The leaders that Atlantic supported—both established and emerging ones—have been able to realize and build new capacities in the higher education systems that have lasted well beyond the duration of the foundation’s formal funding. Atlantic also made mistakes, particularly exiting Viet Nam too quickly, and perhaps in not applying the same rigor to some of its Cornell investments as it did to others.

Investing in higher education formed a foundation of Atlantic’s work, not only for its first two decades, but also in ongoing support that Chuck Feeney initiated. Its impact can be seen in the visually stunning buildings that became a hallmark of these investments, and in the lives of students, faculty, and staff impacted over the course of more than three decades.