



John Bernbaum

In 1990, higher-education administrator John Bernbaum received a surprising request from the Russian government: Would he consider starting a Christian liberal-arts college in Moscow? Five years later, the Russian American Christian University was up and running, supported by private philanthropy. The university operated for 15 years before closing after the Kremlin changed its mind on education, religion, the U.S., and private giving. *Philanthropy* spoke with Bernbaum about his experience building this unique college, and the links between civil society and healthy democracy.

Philanthropy: How did you found a new college in Russia?

Bernbaum: When the Berlin Wall came down, several members of the Council for Christian Colleges and Universities, where I worked, said, “We want to do an exchange program in the post-communist world. Can you help us?” So the president asked me, “John, would you be interested in doing this?”

My Ph.D. was in European diplomacy and Russian studies, so this excited me. My wife and I started by hosting Russian educators when they came to the United States. They were often unhappy with the American professors who were coming to Russia to help them during the Gorbachev period. They had values clashes. When

they found out about Christian colleges in the U.S. they contacted us, and began to show interest.

I made my first trip to Russia in October of 1990. The newly appointed minister of education said, “Would you come here and build a Christian college in Moscow like the ones you have in the United States?” I was stunned, because two years earlier, if you were a person of faith, you couldn’t get into a Soviet university. But Gorbachev broke the connection between atheism and Marxism in 1988.

So that’s how it started. The gestation process took five years. We had no funding. We had to start the whole thing from scratch.

Philanthropy: Just to be clear, the government invited you, but it wasn’t going to provide any financial support?

Bernbaum: We made the decision early on that we wanted the school to be private, without funding from either the U.S. or Russian government. We wanted to stay away from U.S. government money because the Russians would say we’re a CIA or White House plant. And we didn’t want Russian government money because we knew they would then control the school.

A year after they invited us, the Deputy Minister of Education came to D.C. and told me, “We have a building for you. A monastery on the Moscow River. It will cost \$10 million to upgrade it, but you can have it.” I asked, “Who owned the building before?” Well of course the Russian Orthodox Church did. I said, “I’m not going to come to your country and build a college in a building stolen from the church.”

The Russian government made several efforts like that which we refused. We went the independent route, believing a private college could be an important part of democratization in Russia. That’s why it took us a while to get the thing off the ground. And that’s how philanthropy became crucial, because we had to build it with private money.

Philanthropy: What was your pitch to donors in the U.S.?

Bernbaum: We focused on people who had family foundations with evangelical or Christian interests, and interest in seeing Russia come out of communism. Donors were also interested in restored opportunities for young Christians, whose parents couldn’t go to university because of their faith.

The majority of the funding came from family foundations. People who really wanted to see Russia turn into a just, democratic society. They were visionary donors, and a joy to work with.

[See *Philanthropy’s* interview with Howard Dahl, a major donor to the university, in our Fall 2014 issue, available at PhilMag.org.]

Philanthropy: How much money does it take to operate a college in Moscow?

Bernbaum: It cost us around \$5,000 per student to run the school. The Russian students who came to us were poor—many of their families were making \$100, \$125 a month. We charged about \$1,000 per year. We had to raise the difference in scholarships.

The school became competitive to get into. Our admissions committee had to make hard choices. The applicants they chose were going to have a very different life. Those who didn't get in were going to be stuck in poor towns with few options in their life. It was painful.

But Americans stepped up and provided funding for us. We tried to find Russian donors too, but that was a very slow process. The school budget began at a couple hundred thousand a year, and then it was up to half a million a year. It grew slowly.

Then we needed to build our own campus, and that turned into a multimillion dollar project. It took us 10 years to build because we wouldn't do bribes. In 15 years it turned out to be quite a school, with a beautiful facility. It's a miraculous thing to start a school with no resources, no faculty, no books, and end up there.

Philanthropy: How many students did you enroll?

Bernbaum: For the first couple years we weren't allowed to have more than 130 students in the school. We kept getting thrown out of rented buildings. Moscow was so chaotic in the 1990s. The building we constructed could hold 500 students, and we planned to grow beyond that. Sadly, five months after we finished the building, the Kremlin closed us down in 2010.

The closure was not just us, because we were American, or because we were a Christian college. It was targeted at private schools en masse. There was no discussion of this, it was simply announced. Among other things they took away our tax-exempt status, which caused the property tax on our

building to soar from \$2,000 annually to half a million dollars. If you want to kill a charitable institution, taxes are a good way.

They also squeezed us through the college accreditation process. When we applied to be reaccredited they said, "We refuse to recognize American Ph.D.s." We had 120 American faculty who had taught at our school over 15 years. I said, "These are professors from University of Michigan, University of Chicago, Princeton. What do you mean you're not going to recognize them?" They refused. So we didn't have enough Ph.D.s on faculty.

So that's the way the government killed us. And they did that to a lot of other private schools as well. There are very few that remain. They are owned by the oligarchs.

Philanthropy: Why did the government shut you down?

Bernbaum: The perspective of Vladimir Putin's government is, "If I don't control it, I don't want it." He and his security people want complete control. They control all the television stations. They control education. Independent social reformers are a threat.

It's very sad. I can't even be in conversation right now with hundreds of my students and faculty, because they're afraid to communicate by e-mail. They know everything is read by the security services.

We feel like we planted a lot of seeds there. Autocracies ultimately collapse. We have trained people to assume leadership, and we think some of them will emerge at a later point. So we are people of hope.

Philanthropy: What happened to your assets?

Bernbaum: We sold the building and started a private foundation named BEAM (Business & Education as Mission). The focus of the foundation is to support educational programs in Russia, Ukraine, and other post-Soviet states that train and equip young Christians for leadership roles in their churches and the nation. We are one of few foundations committed to this mission.

Philanthropy: How did this experience affect the way you think about democracy and civil society?

Bernbaum: It was a powerful learning experience for me. There was a significant misdiagnosis of Russia by Western analysts after the fall of the Soviet Union. There was a complete focus on building the free-market system, organizing political parties, trying to put democracy and free markets into practice. But there was no understanding of the cultural context. The cultural corruption was so profound, there never was a chance for democracy or economic liberty to get off the ground.

Russians in the 1970s and 1980s were crying out to rediscover a spiritual basis, to have some meaning in life, to have some sense of moral purpose. Western policymakers were totally deaf to this. They weren't paying attention to the deep spiritual and moral needs of the people. All they thought about was building the free market and political parties. That's not what the Russians were crying out for.

Then the Russians went through a depression when communism collapsed that was twice as large and three times longer than the Great Depression in the United States. A small group became fabulously wealthy because they stole the assets of the Russian state, and the vast majority of the population became very poor. Their currency was worthless. So for most people in Russia, democracy

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and capitalism meant poverty. It meant being humiliated.

Dysfunctional societies need spiritual and moral transformation before the externals of their society can change. The culture has to change. Support for top-down power, political strongmen, those kinds of cultural values have to change. And that will come only with education and spiritual renewal.

Philanthropy: Did you encounter other civil-society reformers in Russia?

Bernbaum: We tried to encourage the formation of those kinds of organizations among our students and their families. We talked with them about the importance of taking private initiative to get things done, of organizing themselves around local concerns. Boy, was that hard. Our Russian students would say, “That’s not our responsibility. The government has to do that.”

It was very hard for people to organize themselves into civil-society groups. There was so much anarchy. Yeltsin was drunk a lot of the time, and these oligarchs were running the country. It was chaos. And the security people wouldn’t allow reforms. Communism tries to make it impossible for people to organize.

Philanthropy: American philanthropic culture is really rare in other countries.

Bernbaum: Oh absolutely. There was, before the communist experience, a rather remarkable philanthropic culture in Russia. But communism stamped all of that out, and made it impossible for people to take up philanthropic activities.

For three generations philanthropy was squashed. And now there’s so much corruption that the philanthropic organizations that have been formed since the collapse of communism are profoundly corrupt. Money given to many organizations has not been used as promised. We tried to teach our students, “You don’t have to live like this.” 



Nadia Schadlow

For 20 years, Nadia Schadlow was a program officer at the Smith Richardson Foundation, a leading funder of national-security philanthropy. Over the years the foundation, with \$726 million in assets, has supported scholars, books, and conferences aimed at strengthening U.S. defense and diplomacy. In 2017, Schadlow moved to the White House, where she served as Deputy National Security Adviser. Now out of government, she spoke with *Philanthropy* about niches where donors can support the U.S. in world affairs through their giving.

Philanthropy: How is philanthropy relevant to defense and diplomacy?

Schadlow: Good national-security policy requires analysis and critical thinking, and in this country much of that is done by individuals in our think tanks and universities, paid for by philanthropic funding. For example, the Smith Richardson Foundation, my previous employer, has sought to support research and analysis on important foreign-policy and national-security challenges facing the United States. Unfortunately, since the

end of the Cold War, too few other foundations have made this a priority.

Philanthropy: How does the critical thinking that happens in government differ from its counterpart in the philanthropically supported think-tank world?

Schadlow: Timeline is the main difference. In government, events occur quickly and sometimes unexpectedly, and often require crisis management. Because of the pace, it’s difficult to develop longer-term assessments. For that, policy officials depend upon analysis done

outside of government, by experts who don't face the pressure of events and who can undertake in-depth studies.

Philanthropy: What threats to national security need more analysis today?

Schadlow: One big question is what type of organizations are required to safeguard American interests. Many of today's international institutions were built in the 1945-50 period, when the world was very different. We need to think anew about the design of these bodies.

Another important question is how democratic countries with market economies should compete with authoritarian regimes. Also, what are the implications of new technologies for democracies? For instance, what do we need to understand about the economic and national-security implications of artificial intelligence?

Plus, the policy community still needs expertise on key regions where U.S. interests are at stake. We need to have people who understand the internal politics and foreign policies of Russia, China, and key countries in the Middle East. Ideally, these individuals will move in and out of the policymaking, think tank, and academic worlds. And the help of philanthropists is needed when these experts are developing ideas and strategies outside of government.

Philanthropy: How do you suggest philanthropists get involved?

Schadlow: They could support existing think tanks and programs or work

with individuals at these institutions to identify the gaps that exist and then build new programs to meet such needs. Philanthropists can provide fellowships to develop younger talent or to support research. Philanthropists can take risks more easily than government can. And they should—we need to test new concepts and approaches.

Philanthropy: When a donor takes a risk, how should that person think about impact and evaluation? How do you think about progress in analytical work?

Schadlow: You can trace the evolution of ideas by the books that are published and the policy debates that emerge. With research and analysis, you are trying to build a body of knowledge, and that takes time. And the outcomes need to be looked at more by quality than quantity.

Donors can have big effects. Missile defense is an example. The idea that we should be able to defend ourselves against incoming nuclear-armed missiles was a controversial concept for a long time. Then President Reagan challenged the conventional wisdom. Donors funded think-tank studies on how missile defense affected deterrence and the nuclear balance, and these became very influential.

Philanthropy: What are some big national-security ideas where philanthropy was important?

Schadlow: During the Cold War, most of the Soviet Studies field was built through support by philanthropists. They funded language programs at universities, fellowships for travel, and

key books. Philanthropists supported theorists who were crucial to thinking about nuclear deterrence. More recently, philanthropists powered much of the work on counterinsurgency strategy, which led to better approaches to the wars in Iraq and Afghanistan.

Philanthropy: What's your assessment of the bench right now in foreign policy? Is the amount of talent in this area thick or thin?

Schadlow: The talent is there, but many think tanks focused on foreign policy are struggling. They continue to need sources of funding, especially because they want to avoid reliance on foreign funding. It takes money to educate people, to support their travel and research, to gain better understanding of complex problems, to disseminate new ideas, and to assess results. Philanthropists should try to support a full ecosystem producing experts and ideas that lead to better outcomes for the United States.

Philanthropy: What do you wish someone would have told you when you first started as a program officer?

Schadlow: The Smith Richardson Foundation values ideas developed through serious research and analysis, and then sharing them and learning from others. Donors need to talk to people and assess what seems to be working and what does not. You should encourage experts—who are often stovepiped into disciplines or topical areas—to compare notes.

Also, you also need to cultivate a culture of risk, within reason obviously, and based on sound information. That's the real opportunity and excitement of philanthropy. That's where philanthropy can do much more than government. The government, for many reasons, tends to be risk averse. **P**

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