Philanthropic and University Research in Spain.

Some data, some cases, and some thoughts.

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Preamble

“Are there very few rich people in Spain, and practically no tradition of philanthropy?”

Only 9 Spanish residents are among the richest people in the world (> $1 billion) in Forbes’ The World’s Billionaires (From 793 in total: 369 in the US, 47 in Germany, 31 in the UK, 21 in Switzerland, 15 in France and 13 in Italy, etc.).

“Have Spanish universities relevant international recognition?”

Only 2 Spanish universities (UB and UAM) are included among the 200 best in the world according to the Top 200 Ranking by Shanghai Jiaotong University.
Private Foundations in Spain - I

- The foundations originating in civil society
- The foundations linked to public organisations
- The foundations linked to companies, or corporate groups

Number and size:
- Spain approx. 6,000 foundations
  In 2000 there were 1.2 per 10,000 habitants.
- Catalonia 2210 Foundations
  It is estimated that there are 1,000 active foundations.

Geographic scope:
- Local (Municipal, District and Regional) 65%
- National 12%
- International 23% (Mainly those linked to international cooperation and development aid).
Private Foundations in Spain - II

- Scope of action: Cultural, Education, Social Services, Health and Research.

- Those declaring that they have been set up *exclusively* for scientific purposes are only 3.7% of the existing total.

- Those declaring that they have been set up for scientific as well as educational purposes (1.4%), or social / welfare (1.3%), or cultural (2.7%), represent 5.4 of the total.

- Only 9% of the foundations in Spain have Science as their founding objective, (while cultural objectives are claimed by almost 46% of the Spanish foundations, social / welfare 36%, and educational 13%).
In summary, in Spain:

- **Small** foundations (resources, people, $ and impact).
- **Local** scope of action.
- Research and science are **not priority** objectives.
- The **promotion of research** and science (and explicitly support for university-level research), barely appear.
The Savings Banks

SIX DISTINCTIVE FEATURES:

1. “Full” financial organisations

2. Legal status: “Foundations”: Assets with a social purpose and private in nature.

3. Operating under market criteria: Market prices and optimisation of profits.

4. Non-appropriation of profits: Destined to social purposes.


6. Mainly local ambit (except for the larger ones).
# Social Action of Spanish banks and savings banks

<table>
<thead>
<tr>
<th>Bank</th>
<th>Turnover / Client resources</th>
<th>Profit</th>
<th>Provision for Social work / Foundations</th>
<th>Science / Research / Universities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banco Santander</td>
<td>400.000*</td>
<td>6.200*</td>
<td>84.4 (2.7%)</td>
<td>57.8</td>
</tr>
<tr>
<td>Banco BBVA</td>
<td>200.000</td>
<td>1.918</td>
<td>46.5 (2.4%)</td>
<td>20</td>
</tr>
<tr>
<td>La Caixa</td>
<td>179.000</td>
<td>1.495</td>
<td>303 (21%)</td>
<td>45</td>
</tr>
<tr>
<td>Caja Madrid</td>
<td>84.000</td>
<td>848</td>
<td>161 (19%)</td>
<td>12</td>
</tr>
</tbody>
</table>

* Santander + Abbey Bank
Four large-scale programmes (2005):

1. **Social Programme (€127 M / year)**
   - Biomedical Research (Neurodegenerative diseases, Oncology, Others (€4 M / year).

2. **Educational Programmes (€20 M / year)**
   - Postgraduate grants and financial aid (€7M/year)

3. **Cultural Programmes (€71 M / year)**

4. **Science and Environment Programmes (€34 M / year)**
   - Promotion of Science through Cosmocaixa (€33 M).
Cosmocaixa

- Science Museum
- Mainly dedicated to Natural Sciences, Astronomy, Physics, Geology and Ecology
- 50,000 m²
- Investment of over €100 M
- 1,200,000 people / year have visited Cosmocaixa Barcelona (800,000 people in Cosmocaixa Madrid)
- Meeting point for Science and Society
- Objective: “to stimulate” society in relation to science, discoveries and research
“Spanish people give little social value to Science”

“Basic scientific research is not essential for the development of new technologies”
   Agree: SP 32% (24\textsuperscript{th})   EU 25  22%

“Science and technology do not play an important role in industrial development”
   Agree: SP 30%  (25\textsuperscript{th})  EU 25  17%

“Even if it brings no immediate benefits, scientific research which adds to knowledge should be supported by the Government”
   Agree: SP 67%  (23\textsuperscript{rd})  EU 25  76%

From Euro Barometer 224 “Europeans, Science and Technology” June 2005
Research and Universities. The perception of Spanish Society - II

• “Spanish companies do not finance University Research in Spain”
  CRUE 2002-03 report on Spanish public universities: The contribution made by business to R&D in Spanish universities is ridiculously low and decreasing (from 8.7 in 2001 to 6.4 in 2003).

• “Companies are not investing in R&D, universities are not carrying out research into what companies need, and the social perception of University Research is being weakened.”
“Spanish companies only partially consider universities as the driving force behind economic development.”

- Companies believe that universities do not help drive development.  
  (YES: 32%  NO: 25%)

- Companies believe that universities are not adequately organised  
  (YES: 43%  NO: 15%)

- Companies on the whole do not believe that they are committed to a model of universities as a driving force for development  
  (YES: 60%  NO: 9%)

- Between 81% and 83% of the companies have never collaborated with universities to carry out research projects; to contract scientific-technical services; nor to draft analyses or reports.

- Universities only rank in **ninth place** out of ten training / education suppliers considered by companies: the companies themselves; business organisations; consultants; suppliers; professional training centres; chambers of commerce; business schools; and head offices.

CYD 2005 Report. Foundation, Knowledge and Development. The contribution of Spanish universities to development: The corporate perception of universities (survey of 400 Spanish companies).
Private Universities. The case of ESADE and Universitat Ramon Llull - I

- Private: 20 univ.  5% of students
- Public: 50 univ.  95% of students

Focus on teaching, little research.

ESADE:  - Private foundation opened in 1958
    - Business world + Jesuits
    - Notable success:
      - Financial Times - MBA, January 2006
        27th best business school in the world and 10th in Europe
      - Beyond Grey Pinstripes - MBA, October 2005
        2nd best MBA programme in the world for its social and environmental focus
      - The Wall Street Journal - MBA, September 2005
        2nd best international business school
      - Financial Times - MBA, September 2005
        6th best Master in Management in Europe
      - Business Week - MBA, October 2004
        4th best international business school
THREE BASIC FEATURES:

• The divergence between University – Society – Enterprise, is not produced in this case.

• Research should be financed through student tuition fees, through the trustees, and through financing from companies (“Committed research”).

• The Alumni Association is made up of: entrepreneurs, managers and directors who have a medium-to-high social status, and as a result are potential donors of funding for the University.

THE CONTRADICTIONS:

• Contributions from ESADE’s sponsors and trustees are less than 3% of its income.

• Research activity is conditioned by the scarcity of non-dedicated funds. Focused on Committed Research. Less freedom.

• The Alumni Association has 9,500 associate members (of a total of approx. 45,000 alumni). It generates no income for the institution.
Conclusion

- The promotion and diffusion of science, should and will create a state of opinion that is favourable to Science and Research.

- With this favourable state of opinion, and with greater commitment to change in Universities, more funds from individuals and companies will be destined to the Scientific world in Spain.

- If the prestige of Universities and University Research is enhanced, maximum priority will be given to Research financing in the agendas of Private Foundations in Spain.
Thank you

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