AMERICANS FOR PUBLIC TRUST

Foreign Money Flowing into U.S. Colleges and Universities

How Foreign Gifts and Contracts Flood the U.S. Higher Education System to Buy Influence, Spread Propaganda, and Threaten American Excellence

MARCH 2025

Key Findings

- **\$60 billion** in foreign gifts and contracts has been funneled into American colleges and universities over decades.
- Ten schools some of the most elite and prestigious in the country – have alone raked in \$20 billion.
- Federal protections meant to provide transparency on foreign cash into American higher education are lax and lightly enforced. As a result, an overwhelming number of schools do not fully comply with federal reporting requirements.
- Lax enforcement enables bad actors from around the world to by-pass safeguards and pour vast sums into U.S. schools, sometimes without any public reporting.
- Many of the countries that top the list of foreign gifts and contracts to colleges and universities are nations that are long-standing adversaries and enemies of the U.S.
- Foreign actors may use their funding of U.S. schools to buy influence, sow discord and anti-American propaganda, and to steal invaluable intellectual property and research.

About Americans for Public Trust

Americans for Public Trust is a nonprofit, nonpartisan organization dedicated to restoring trust in government by holding politicians and political groups accountable for corrupt and unethical behavior. We use in-depth investigations and bold legal action to ensure that those who disregard the rule of law are held responsible. By raising awareness of this work, we help to rebuild public faith in our elected leaders.

Introduction

Safeguarding the American political system from foreign influence, interference, and meddling should always be a clear, top priority for our leaders and policymakers. However, while there are substantial laws in place restricting foreign individuals, businesses, and governments from contributing to U.S. political campaigns, foreign actors can still attempt to buy and exert influence in America through another method, one that remains largely unmonitored and unprotected: by pouring money into our colleges and universities.

How Does Foreign Cash Flood Our Education System?

While foreign dollars can enter our higher education system through several different methods, the overwhelming majority of this money is given through gifts or contracts to or with American schools.

As of October 2024 – the most recent reporting period available – nearly **\$60 billion** has been funneled into hundreds of colleges and universities all across the country, spanning decades.¹ Furthermore, a group of just ten schools – among the most elite and prestigious in the U.S. – have alone raked in over **\$20 billion** during this same time period.² Alarmingly, many of these schools are also top research universities that handle sensitive information and intellectual property.³

While the sheer scale of these payments is both staggering and alarming, even more concerning is how ineffective current safeguards have been at ensuring transparency and documentation of this influx of foreign cash. These protections are, at best, lax and lightly enforced. At worst, they can easily be by-passed by bad actors, allowing vast sums of foreign money to pour into American schools, often completely unreported.

\$60 Billion

in Foreign Gifts and Contracts to U.S. Colleges and Universities Over Decades.

\$20 BILLION GIVEN TO 10 SCHOOLS

GRAND TOTAL	\$20,734,612,484.01
Columbia University	\$1,178,517,613.28
Georgetown University	\$1,292,243,159.00
Yale University	\$1,418,119,236.30
Johns Hopkins University	\$1,502,353,718.28
Stanford University	\$1,780,151,835.77
Massachusetts Institute of Technology	\$2,129,044,269.66
University of Pennsylvania	\$2,540,800.038.60
Carnegie Mellon University	\$2,823,404,635.80
Cornell University	\$2,842,705,095.62
Harvard University	\$3,217,272,881.70

Foreign Actors Can Easily Skirt Current Safeguards

Historically, Congress has required U.S. colleges and universities to publicly report all foreign gifts and contracts to the Department of Education (DOE) under the Higher Education Act (HEA) of 1965. This law mandates that virtually all schools in America must self-report twice a year any foreign gifts and contracts valued at \$250,000 or more.⁴

However, recent government investigations have revealed colossal deficiencies in schools' compliance with the law, as well as with enforcement for those institutions that break it. A 2020 report by the DOE's Office of the General Counsel discovered that while many prestigious and well-known colleges in the U.S. have "aggressively pursued and accepted foreign money," less than 300 of the 6,000 schools required to self-report foreign funds biannually have actually done so.⁵ This investigation also uncovered that many schools "failed entirely" to file any disclosures, while many that *did* report foreign gifts and contracts did so inadequately. A further review of this noncompliance revealed "\$6.5 billion in previously unreported foreign money."

"\$6.5 billion in previously unreported foreign money"

U.S. DEPARTMENT OF EDUCATION, OFFICE OF THE GENERAL COUNSEL, 2020

A U.S. Senate subcommittee report in 2019 found that nearly "70% of all U.S. colleges and universities fail to comply with the law," those that did "substantially underreported," and that these huge inadequacies essentially made foreign cash sources pumping money into the American higher education system a "black hole."⁷

"Fewer than 300 of the approximately 6,000 U.S. institutions self-report foreign money each year."

U.S. DEPARTMENT OF EDUCATION, OFFICE OF THE GENERAL COUNSEL, 2020

2024: 10 SCHOOLS RECEIVING MOST FOREIGN MONEY

GRAND TOTAL	\$1,322,254,310.00
New York University	\$91,148,857.00
Carnegie Mellon University	\$91,784,059.00
Duke University	\$94,162,381.00
Texas A&M University	\$102,053,211.00
Massachusetts Institute of Technology	\$106,009,907.00
The Julliard School	\$119,980,000.00
Stanford University	\$125,900,403.00
Harvard University	\$150,169,182.00
Cornell University	\$203,856,105.00
University of Cincinnati	\$237,190,205.00

Foreign Actors Are Trying to Buy Influence, Spread Propaganda, and Steal Research on American College Campuses

Weak transparency requirements, incomplete reporting by schools, and inadequate enforcement of any violations can open dangerous back channels for foreign actors – whether they be Chinese Communist Party functionaries, international terrorists, or corporate spies – to influence institutions, faculty, and students all across the country. Unchecked foreign money may assert or buy influence over research and curriculums, spread harmful anti-American propaganda, and can facilitate corporate espionage and the theft of invaluable intellectual property.⁸

Many of the countries that top the list of foreign funders of U.S. colleges and universities are long-standing adversaries of our nation, and act openly against American interests both domestically and abroad. For decades, countries like **China**, **Russia**, **Iran**, Qatar, Venezuela, and Yemen have collectively syphoned **billions** into American schools; in just 2024 alone, China and Qatar together gifted or contracted **over \$500 million** to U.S. colleges and universities.⁹

In just 2024 alone, China and Qatar together gifted or contracted over \$500 million.

> U.S. DEPARTMENT OF EDUCATION, FOREIGN GIFT AND CONTRACT DATA

2024: FOREIGN ADVERSARY GIVING

093.00
,500.00
0,000.00
00,000.00
)81,358.00
150,714.41
732,786.00
5,295,395.50
5,665,093.00
2,848,176.00

The effects of monies flowing into college campuses from China are dangerous and widespread. In 2024, China poured over **\$175 billion** into U.S. schools, and the historic breadth of this vast enterprise cannot be understated; Americans for Public Trust has already previously uncovered nearly **\$130 million** in Chinese funding to the Ivy League University of Pennsylvania alone over a roughly five-year period.¹⁰

Additional government investigations have also revealed a dramatic increase in instances of U.S-based researchers being arrested for illegally collaborating with China, providing more alarming evidence of the level of influence gifts and contracts have bought Beijing with some of our premiere universities and research institutions. Since 2018, the Department of Justice has filed at least twenty criminal cases involving Chinese economic and intellectual espionage; just in 2020, the chair of Harvard's Chemistry Department was arrested for lying about his ties to the "Thousand Talents Plan," a research recruitment program run by the Chinese government."

Furthermore, for years, the Chinese government sponsored its infamous "Confucius Institutes" at schools all over the United States, under the guise of promoting innocent Chinese language and cultural education. In reality, these institutes, funded via contracts signed by American schools and the Chinese government, have been used as soft power vehicles to promote China's Communist worldviews and distract from the country's security and economic threats to the West.¹² While in recent years, most Confucius Institutes in the U.S. have been officially shuttered after facing scrutiny for using American classrooms to spread CCP propaganda and indoctrination, a handful still operate at several colleges and universities, and experts fear that many are simply discreetly re-opening under new names and branding. A June 2022 report by the National Association of Scholars found that "[i]n no cases are we sufficiently confident to classify any university as having fully closed its Confucius Institute."13

Funds channeled into American schools from the Gulf state of Qatar pose a different, but gravely problematic, threat. In 2024, some of the schools that received the most Qatari money included Ivy League members Harvard and Cornell Universities. Sadly, both schools have seen a sharp uptick in antisemitic violence and rhetoric since the horrific invasion of Israel by the terrorist organization Hamas in October 2023.

At Harvard, incidents have included Jewish students being threatened by Pro-Palestinian activists. A federal judge determined in 2024 that Jewish students could sue the school after university administrators were indifferent to "their fears of walking through the campus and missing classes and extracurricular activities when they were allegedly harassed by pro-Palestinian protesters."¹⁴ In January 2024, the President of Harvard was forced to resign after refusing to identify calls for genocide against Jews as hate speech during a Congressional hearing investigating antisemitism on college campuses.¹⁵

At Cornell, a professor claimed he found the Hamas attack "exhilarating" and "energizing," while a student was arrested for allegedly making antisemitic threats. In May 2024, Cornell's president also resigned amid controversary involving pro-Palestinian protests on campus.¹⁶



Pro-Palestinian Protesters at Harvard University, October 19, 2023: <u>The Harvard Crimson</u>

In its most recent report on anti-Israel activity on U.S. Campuses, the Anti-Defamation League found that both Harvard and Cornell headlined another dubious list: both universities ranked among the American schools with the highest reported anti-Israel incidents, with Harvard featured at #3, and Cornell #8. While it is shocking that such prestigious American colleges could attain such a distinction, it is maybe not surprising when considering the millions of dollars that have entered these campuses from Qatar – a nation that has long shielded and protected the leadership of Hamas - that can be used to radicalize and indoctrinate American students with antisemitic, anti-Israel, and pro-Hamas sentiments.17

In recent months, these harrowing and concerning statistics regarding what, in many cases, appears to be rampant and unchecked antisemitism on campuses, has created real-world consequences for schools all across the country, and especially the Ivy League. Harvard is currently under federal investigation and facing federal funding cuts for alleged antisemitism, while Columbia University had \$400 million in federal grants and contracts canceled for "continued inaction in the face of persistent harassment of Jewish students." Dozens of additional colleges and universities are also currently under federal investigation for antisemitism and racial discrimination.¹⁸

Keeping Our Students and Campuses Safe from Foreign Influence

While stopping the flood of incorrectly or unreported foreign gifts and contracts into U.S. colleges and universities may appear daunting due to the colossal amounts of the funds involved, in recent years, some progress in restoring full transparency and compliance with the law has been made. In 2020, for essentially the first time in history since the passage of HEA, the Department of Education made moves to enforce the law and compel proper reporting. The department opened extensive investigations into multiple schools that were in non-compliance and revamped the agency's reporting portal to streamline the reporting process. As a result, 60 institutions that have never submitted reports filed disclosures, listing over \$350 million in foreign gifts and contracts for the compliance period ending in July 2020. In order to capitalize on these efforts, new legislation has been proposed to create additional safeguards while promoting transparency and compliance.19

The DETERRENT Act (H.R. 1048, the Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions)` - which first passed the U.S. House of Representatives in 2023 - includes new safeguards that would allow American schools to continue to collaborate with foreign allies. At the same time, the DETERRENT Act would deter bad actors from attempting to buy influence, conduct espionage, and sow propaganda and discord across the United States via our higher education system. The bill would lower the reporting threshold for gifts from \$250,000 to \$50,000, prohibit contracts with governments openly hostile to the U.S. - such as China, Russia, Iran, and North Korea - and impose stiff fines and the loss of Title IV federal education funding for schools that do not maintain compliance. Such measures would significantly stifle and limit the ability of foreign nations harboring bad intentions from attempting to grow their influence in the U.S. through our college campuses. In February 2025, the DETERRENT Act was passed by the Committee on Education and Workforce and is now awaiting a vote on the House floor.20

The American higher education system is one of our nation's most valuable assets, and the envy of the world. Students at colleges and universities across the country should be free to study, learn, and collaborate with researchers and experts – both at home and abroad. They should never be afraid that their education is being hijacked by dangerous, foreign bad actors – whether they be Communist regimes, terrorist groups, or transnational criminals – seeking to further anti-American agendas, and every reasonable safeguard should be enacted to curtail their efforts to use American colleges and universities against us.

Methodology

The vast sums of foreign money pouring into the American higher education system in the forms of gifts and contracts – as well as what foreign actors hope to accomplish through these efforts and the threats these goals pose to our students and schools – have been identified via a comprehensive analysis of the following sources:

- Current and historic data and records of Section 117 Foreign Gift and Contract information maintained by the U.S. Department of Education, spanning decades.
- 2. A collection of investigative reports and press releases generated by U.S. government agencies and entities, including the U.S. Department of Education, the U.S. Department of Justice, the United States House of Representatives, and the United States Senate.
- 3. A collection of reports, analytical studies, and press releases created by trade and professional organizations focused on higher education in the United States, including the National Association of Student Financial Aid Administrators and the National Association of Scholars.
- 4. A series of reports and analytical studies created by preeminent thinktanks and subject-matter-expert-organizations, including the Anti-Defamation League and the Foundation for the Defense of Democracies.
- 5. Media articles, including reporting by *ABC News, The New York Times, Politico, Reuters,* the *Associated Press*, and more.
- 6. A collection of electronic sources, including websites, online records, and web-based primary sources.

Endnotes

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- 7 *Ibid*, Page #6. See Also: United States Senate, Permanent Subcommittee on Investigations, Committee on Homeland Security and Governmental Affairs, "China's Impact on the U.S. Education System," Senate.gov, 2019.
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- 10 U.S. Department of Education, Federal Student Aid, "Section 117 Foreign Gift and Contract Data," <u>fsapartners.ed.gov</u>, 10/15/24. See Also: Section 117 Data Spreadsheets, maintained by the U.S. Department of Education, which compromise both current and historic data from the original Foreign Gift and Contract Data Repository. See Also: Joe Schoffstall and Cameron Cawthorne, "UPenn, Which Hosts Biden's Think Tank, Sees Chinese Donations Soar, Including From CCP-Linked Sources," <u>Fox News</u>, 1/18/24 and Alana Goodman, "Under Biden, American Universities Raked In Nearly \$1 Billion From Mystery Offshore Donors, Including Some Linked to China," <u>The Washington Free Beacon</u>, 2/11/25.
- 11 U.S. Department of Education, Office of the General Counsel, "Institutional Compliance with Section 117 of the Higher Education Act of 1965," Pages #7-11, <u>www.ed.gov</u>, October 2020 and U.S. Department of Justice, "Harvard University Professor Indicted on False Statement Charges," <u>Press Release</u>, 6/9/20.
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