

---

# OPEN SOCIETY FOUNDATIONS 2017 BUDGET

Overview



OPEN SOCIETY  
FOUNDATIONS

---

# Overview

---

The Open Society Foundations are organized as a network of foundations and related entities with 47 offices in 42 countries, all dedicated to a common mission. Collectively, these foundations employ more than 1,600 staff and are guided by hundreds of individuals serving as members of advisory and governing boards. Although we are not the largest international foundation in terms of budget, no other philanthropic organization employs so many people in so many places. In the fields we work—good governance, human rights, democratic practice, education, economic advancement, public health, journalism, justice, and more—our staff colleagues and board members provide a depth of local knowledge that allows us to assess needs and opportunities with nuance and respect for context. Our large investment in staff and boards reflects our belief that the people directly engaged in a place or in a field are best positioned to guide our investments.

The total 2017 budget is \$940.7 million. This is an increase of just 1.1% from 2016, as we continue to set priorities within the fixed resources that George Soros, our founder, has made available. As shown in Figure 1, the budget includes \$517.2 million for grants and other direct program costs, \$60.0 million for Program Related Investments, plus reserves of \$103.8 million, available to be allocated quickly throughout the year for unanticipated opportunities.<sup>1</sup> While we continue to make many large grants to some of the most dynamic organizations in the fields where we work, we remain determined to support small- and medium-sized organizations, informal associations, and individuals. Since inception, the Open Society Foundations have awarded more than 15,000 individual scholarships, and that is just a part of our larger commitment to supporting individuals and informal associations alongside formal organizations.

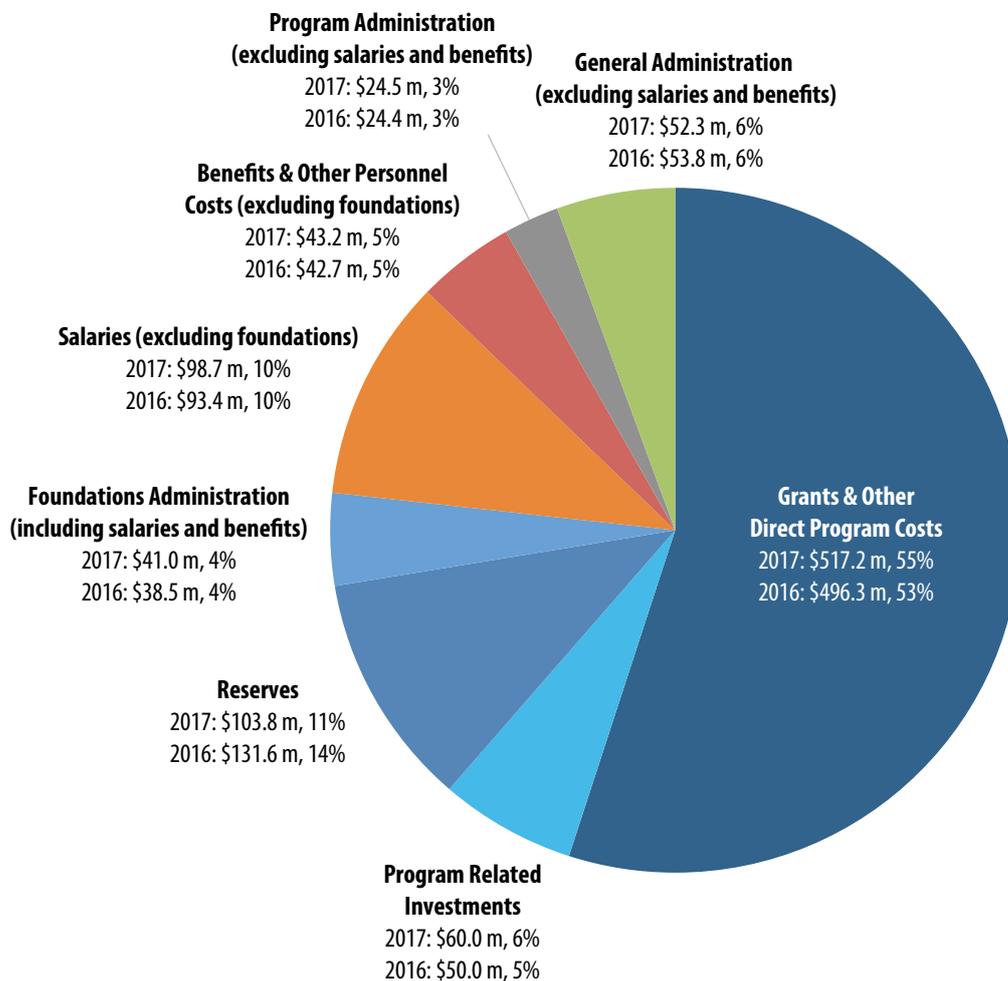
Our mission is to strengthen the institutions and practices that keep societies open, and by that we mean open to criticism and debate, open to correction and improvement, and open to the participation of all people.

---

<sup>1</sup> Grants and other direct program costs include the costs of grants, professional fees and travel and conferences. This excludes all staff costs.

**FIGURE 1: TOTAL BUDGET BY COST TYPE**  
**2017: \$940.7 MILLION, 2016: \$930.7 MILLION**

*In millions of U.S. dollars*



There is no better illustration of how we advance that mission than the priority we give in this budget to migration. We have worked on migration for many years, supporting efforts to improve the treatment of labor migrants in Central Asia, Latin America, South Asia, and the Gulf; advocating a better, common asylum policy in Europe; challenging conditions of detention for migrants in many countries; and defending migrant communities against a wide array of xenophobic attacks in Africa, Asia, Europe, and the United States. We started 2016 with \$20.8 million budgeted for this work, but the amount for 2017 is \$32.6 million, more than a 50% increase (see Table 1). We have also invited Central European University to propose how it can lead a wider effort to provide

higher education for refugees, whether those refugees are living in camps or in host communities. Finally, the \$32.6 million does not include the plan announced by George Soros in September 2016 to make up to \$500 million in equity investments in businesses that benefit migrants. These would be our largest set of program-related and mission-related investments ever.

In February 2016, well before he announced the planned private investments, George Soros publicly pledged \$25 million over several years to train and deploy Syrians in Lebanon and Jordan, along with members of their host communities, to provide paralegal assistance to the hundreds of thousands of refugees fleeing the war. That project alone

**TABLE 1: MIGRATION BUDGET**

*In millions of U.S. dollars*

	2016			2017	Total 2016-2017
	Original Budget	Transfers from Reserves	Total	Budget	
Migrants	14.3	0.6	14.9	14.4	29.3
Refugees	1.8	2.4	4.2	13.0	17.1
Integration	4.6	3.1	7.7	4.5	12.1
Other	0.1	-	0.1	0.8	0.9
<b>Total</b>	<b>\$20.8</b>	<b>\$6.1</b>	<b>\$26.9</b>	<b>\$32.6</b>	<b>\$59.5</b>

adds \$6.5 million to the 2017 budget; eventually totaling \$25 million. We are also launching a new fellowship program supporting individual migrants to participate in public policy debates. On this and every other topic, the 2017 budget reflects a synthesis of leadership from the top with programming initiated at the local level.

#### Work Across Seven Regions and Ten Themes

We present the budget organized under seven broad geographic regions, with a separate discussion of the work we support at the global level. Within each of these regions, we classify each budget allocation under one or another of ten themes, such as *Journalism* or *Justice Reform and the Rule of Law*. This matrix of geography and theme allows us to collect work on a single theme across regions, or to see how the thematic priorities differ from one region or country to another. The aggregate budgets for grants and other direct program costs for each region are shown in Table 2, and the matrix of geography and theme are shown in Figure 2.

The budget for each region is divided among various sub-regions and individual countries, allowing readers to see which themes are given priority in geographies smaller than a region. Similarly, each theme contains one or more sub-themes, describing a more specific focus of work for one or more programs and foundations.

OSF programs and foundations have two ways of working in a place and on a theme. We pursue our own theories for how to make change: our *concepts*. And we support organizations and individuals who share our goals and whom we trust to pursue their own ideas. We call this second way of working “*support-to-the-field*” and our founder, George Soros, encourages all program officers to cultivate those fields with the least money necessary, putting their energy into their *concepts*. In the presentation of the budget for each region, we describe the specific concepts that account for the largest shares of the budget.

When advancing a concept, OSF programs and foundations are usually working with partners to make some specific change in the world: to change a particular government policy, to increase the power of a particular constituency in a specific context, or to change public understanding of an issue. The budgets for concepts include only the grants, contracts, and other direct expenses that we will incur, not the staff time involved. As a result, the size of the budget for a concept can be deceptive, for a concept that relies principally on direct advocacy, our own litigation, or other involvement by OSF staff may represent a large investment by a program or foundation, but appear in the budget as a relatively modest category of work. The budget for a single year can also obscure the full resources we are devoting to a concept that we are pursuing over years or even decades.

**TABLE 2: BUDGET FOR GRANTS & OTHER DIRECT PROGRAM COSTS BY REGION**

*In millions of U.S. dollars*

	2016		2017		Change	
	Grants & Other Direct Program Costs <sup>2</sup>	% of Grants & Other Direct Program Costs	Grants & Other Direct Program Costs <sup>2,3</sup>	% of Grants & Other Direct Program Costs	\$	%
United States	89.9	18.1%	100.3	18.7%	10.4	11.6%
Africa	69.5	14.0%	69.0	12.8%	(0.5)	-0.7%
Europe	65.8	13.3%	63.3	11.8%	(2.5)	-3.8%
Asia Pacific <sup>1</sup>	36.2	7.3%	57.7	10.7%	21.5	59.4%
Middle East, North Africa & Southwest Asia	29.7	6.0%	43.2	8.0%	13.5	45.5%
Eurasia	42.2	8.5%	40.0	7.4%	(2.2)	-5.2%
Latin America & the Caribbean	33.9	6.8%	33.6	6.3%	(0.3)	-0.9%
Global	116.7	23.5%	110.7	20.6%	(6.0)	-5.1%
Unallocated	12.4	2.5%	19.4	3.6%	7.0	56.5%
<b>Total Grants &amp; Other Direct Program Costs</b>	<b>496.3</b>	<b>100%</b>	<b>537.2</b>	<b>100%</b>	<b>40.9</b>	<b>8.2%</b>
Reserves	181.6		143.8		(37.8)	-20.8%
<i>Program Related Investments<sup>1</sup></i>	<i>50.0</i>		<i>40.0</i>		<i>(10.0)</i>	<i>-20.0%</i>
<b>Total Including Reserves</b>	<b>677.9</b>		<b>681.0</b>		<b>3.1</b>	<b>0.5%</b>

1. 2017 budget for Asia Pacific includes \$20.0 million of program related investments for India. The remaining \$40.0 million of program related investments have not yet been allocated to a region and are therefore reflected in reserves. The combined 2017 total of program related investments of \$60.0 million is shown in Figure 1. Correspondingly, 2016 reserves include \$50.0 million for program related investments.

2. Grants & Other Direct Program Costs includes only the costs of grants, professional fees, travel and conferences. The costs of salaries, benefits, rent and other administrative costs, as well as reserves, are not included in Grants & Other Direct Program Costs and are shown separately in Figure 1.

3. In other sections of the budget, we refer to the amounts budgeted to programmatic themes for each region. These are different to Grants & Other Direct Program Costs shown here because they: (i) include reserve amounts that have been allocated to a specific region; (ii) include a small amount of salary and benefit costs where we have been able to classify them under specific programmatic themes; and (iii) exclude a small amount of direct program costs that span multiple themes and have therefore been classified as administration.

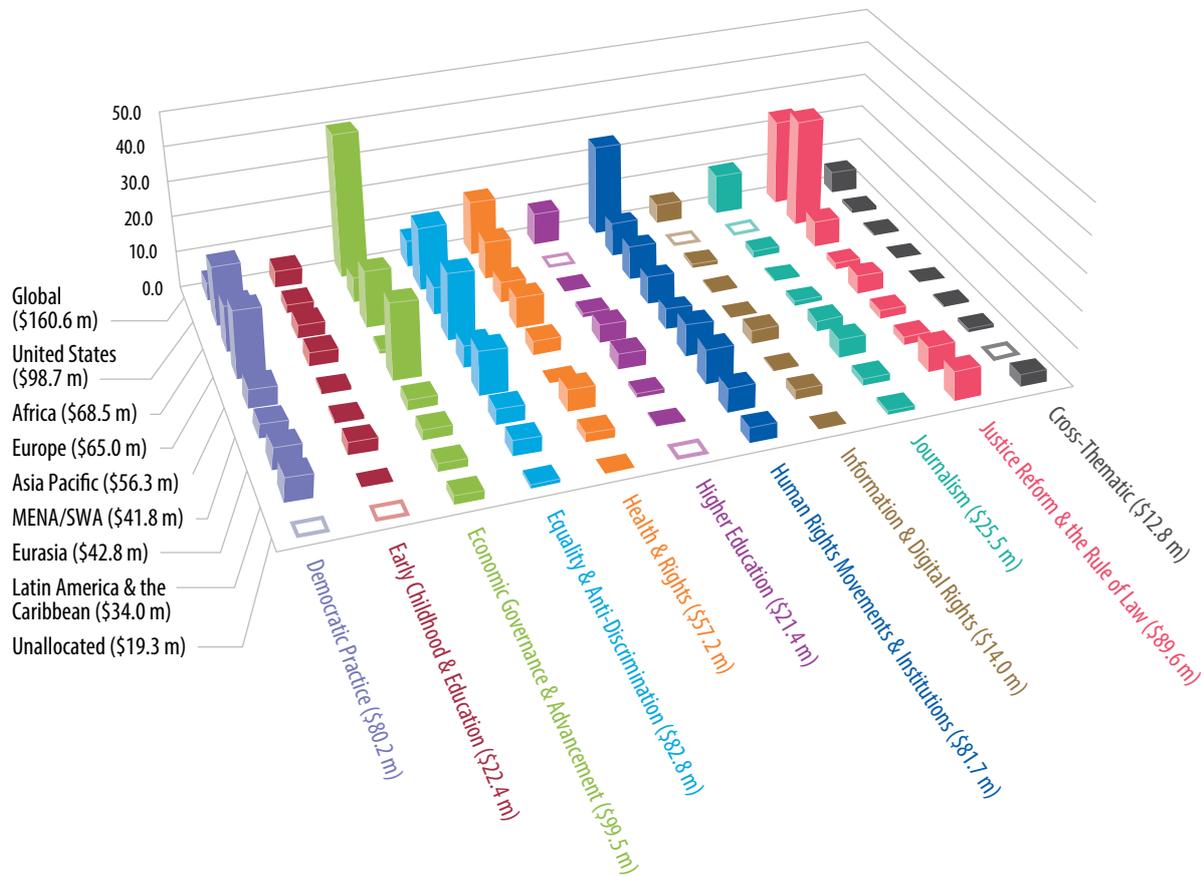
The twenty concepts with the largest budget allocations in 2017 account for \$45.8 million of the \$111.1 million devoted to all 201 concepts in our 2017 strategies. The funds devoted to these concepts are substantially greater than last year, and the total number of concepts is reduced, both trends we expect to continue in future years. The top twenty concepts, with their costs and the program or foundation pursuing them, are shown in Table 3. Descriptions of these concepts appear later in this presentation, at the pages indicated in the table.

### Large Institutional Grants & Shared Frameworks

There are two ways in which OSF makes large investments in a specific effort to drive a particular change. The first, and most familiar way, is that we can make a very large, long-term grant to a single organization or initiative, whether new or previously established, able to lead that change. Examples from earlier years include our founding support for the Institute for New Economic Thinking, the Climate Policy Initiative, the Drug Policy Alliance, the European Council on Foreign

**FIGURE 2: 2017 BUDGET BY REGION & PROGRAMMATIC THEME**  
**\$587.0 MILLION<sup>1</sup>**

*In millions of U.S. dollars*



1. The 2017 budget by programmatic theme includes the budget for each of the ten programmatic themes, plus the cross-thematic budget (\$587.0 million). It excludes reserves (\$143.8 million), program administration not specific to any particular theme (\$59.4 million), foundation administration not specific to any particular theme (\$37.1 million) and general administration (\$113.4 million). The budget for the ten programmatic themes, plus the cross-thematic budget, includes direct program costs for those themes (\$524.7 million), as well as program and foundation administrative costs (\$12.5 million) where these have been categorized to a theme.

Relations, *Namati*, and the Revenue Watch Institute, now the Natural Resource Governance Institute. In the last three years, we have expanded this list to include the founding of the Fund for Constitutionalism in South Africa, the Arab Fund for Arts and Culture (Lebanon), the European Liberties Platform, Solidarity Now (Greece), and the Campaign for Black Male Achievement (U.S.). Examples of similarly large grants to organizations OSF did not found include our support to Human Rights Watch, the American Civil Liberties Union, and BRAC University.

The other way in which we make a very large investment in a single strategy is to coordinate the separate efforts of many programs and foundations across our network in a “shared framework.” It is this second approach that takes greatest advantage of the distinctive strengths of the Open Society Foundations—its geographic reach, its ability to identify small- and medium-sized organizations (both formal and informal), its ability to bring many tools in addition to grants to bear on a problem, and the creative collaboration among separate programs. Having begun to work under shared frameworks in 2014, we are now beginning to reap the benefits.

**TABLE 3: LARGEST 20 CONCEPTS IN 2017**

*In millions of U.S. dollars*

<b>Concept</b>	<b>Program / Foundation</b>	<b>Geography</b>	<b>Budget</b>
Syrian refugee empowerment	Central Grants	Jordan & Lebanon	6.5
Opening up policy debates to diverse voices	Open Society Initiative For Europe (OSIFE)	Europe (8 countries, Western Europe & Region-Wide)	3.2
School discipline and push-out	U.S. Programs (\$2.6) & OSI-Baltimore (\$0.2)	United States	2.8
Combating marginalizing practices	Human Rights Initiative	All regions except MENA/SWA (including 13 specific countries)	2.7
Campaign for black male achievement	U.S. Programs	United States	2.6
Deinstitutionalization of mental health patients: policy, practice & advocacy	Public Health Program	Europe, Asia Pacific, Eurasia, Africa & Global	2.6
Prioritizing homicide reduction	Latin America Program	Latin America (7 countries & Region-Wide)	2.5
Campaign finance jurisprudence	U.S. Programs	United States	2.4
New alternatives to punitive drug control	Public Health Program	All regions except Europe (including 12 specific countries)	2.4
Affordable Care Act implementation to advance drug policy reform	U.S. Programs (\$2.0) & OSI-Baltimore (\$0.2)	United States	2.2
Eliminating barriers to higher education	Higher Education Support Program	MENA/SWA	2.0
Promote arrest diversion programs	U.S. Programs	United States	2.0
Early childhood development networks & advocacy	Early Childhood Program	Global, Africa, MENA/SWA, Asia Pacific & Europe	1.6
Local policing accountability	U.S. Programs	United States	1.5
Increasing access to essential medicines	Public Health Program	Europe, Asia Pacific, Latin America, Africa, Global, United States	1.5
Legal recognition of sex work & gender identity	Public Health Program	Africa, Eurasia, United States, Europe, Global & Latin America	1.5
Effective Latin American democracies in the 21st century	Latin America Program	Latin America (7 countries & Region-Wide)	1.5
Integrate Eurasian actors into the global exchange of ideas	Eurasia Program	Eurasia (Region-Wide & Kazakhstan)	1.5
Counter state capture	Open Society Initiative For Europe (OSIFE)	Europe	1.4
Natural resource management	Open Society Initiative For Southern Africa (OSISA)	Southern Africa, Angola & Democratic Republic of the Congo	1.4
<b>TOTAL LARGEST 20 CONCEPTS</b>			<b>\$45.8</b>
<b>TOTAL ALL 201 CONCEPTS</b>			<b>\$111.1</b>

**TABLE 4: SHARED FRAMEWORK BUDGETS**

*In millions of U.S. dollars*

Shared Framework	Inception through 2016 <sup>1</sup>	2017			Total 2013-2017
		Unit Budgets	Central Budget	Total	
Food Security in Africa	11.6	2.1	4.4	6.4	18.0
Legal Empowerment	5.3	2.9	7.5	10.4	15.7
Lethal Drones and Targeted Killings	5.8	0.5	3.3	3.8	9.6
<b>Total</b>	<b>\$22.7</b>	<b>\$5.5</b>	<b>\$15.1</b>	<b>\$20.6</b>	<b>\$43.3</b>

1. Inception through 2016 includes expenditures for 2014 and 2015 and budgets for 2016.

Three previously authorized shared frameworks continue in 2017: (1) our effort on Africa food security in the face of climate change, (2) our efforts to shape national and international policies limiting the use of lethal drones, and (3) a new shared framework on legal empowerment. Two earlier shared frameworks have now concluded: an effort to secure a goal on justice as part of the Sustainable Development Goals, and our mobilization around the U.N. General Assembly’s 2016 Special Session on drug policy. Table 4 shows the 2017 budget for the three continuing shared frameworks, including the amounts budgeted by programs and foundations as well as the addition funds we are making available centrally. The blend of central funds and program/foundation funds varies from one framework to another.

**Major Changes from 2016**

Although our total spending remains unchanged from 2016, we have made several adjustments in the 2017 budget in addition to the substantial increase in funds devoted to migration. We continue to increase our attention to the exclusion of civil society from politics and, more specifically, the repression of human rights organizations in several countries. We are increasing allocations to work on freedom of association as well as the defense of human rights activists, scholars, and journalists. We are also gradually increasing our support to those working on counter-terrorism policies, public safety, security sector governance, and police reform.

This is the first year in which the Economic Advancement Program is allocating its Program Related Investments to particular regions. Because these capital investments in companies are substantially larger than most grants, they can easily create the appearance of great change in a budget. For example, this budget includes a \$20 million allocation to India, all of which is expected to go to a single investing platform. The prospect of more such investments on a large scale, following George Soros’s announcement in September 2016 that he will invest up to \$500 million in companies addressing migration issues, may lead us to present this information in a different way in the future.

We continue to expand our work in Asia and Latin America. This is also the first full year of operations for the Asia Pacific Regional Office, the new regional offices in Singapore and Sri Lanka, and the launch of new national foundations in Nepal and Myanmar. And staff colleagues working in Latin America continue to move into the region, with a new office opening in Mexico City, following the launch of our offices in Rio de Janeiro and Bogotá in 2016. In the case of Asia, we are already seeing greater collaboration among the four foundations and our thematic programs. In the case of Latin America, we are already able to identify potential grantees farther from capital cities.

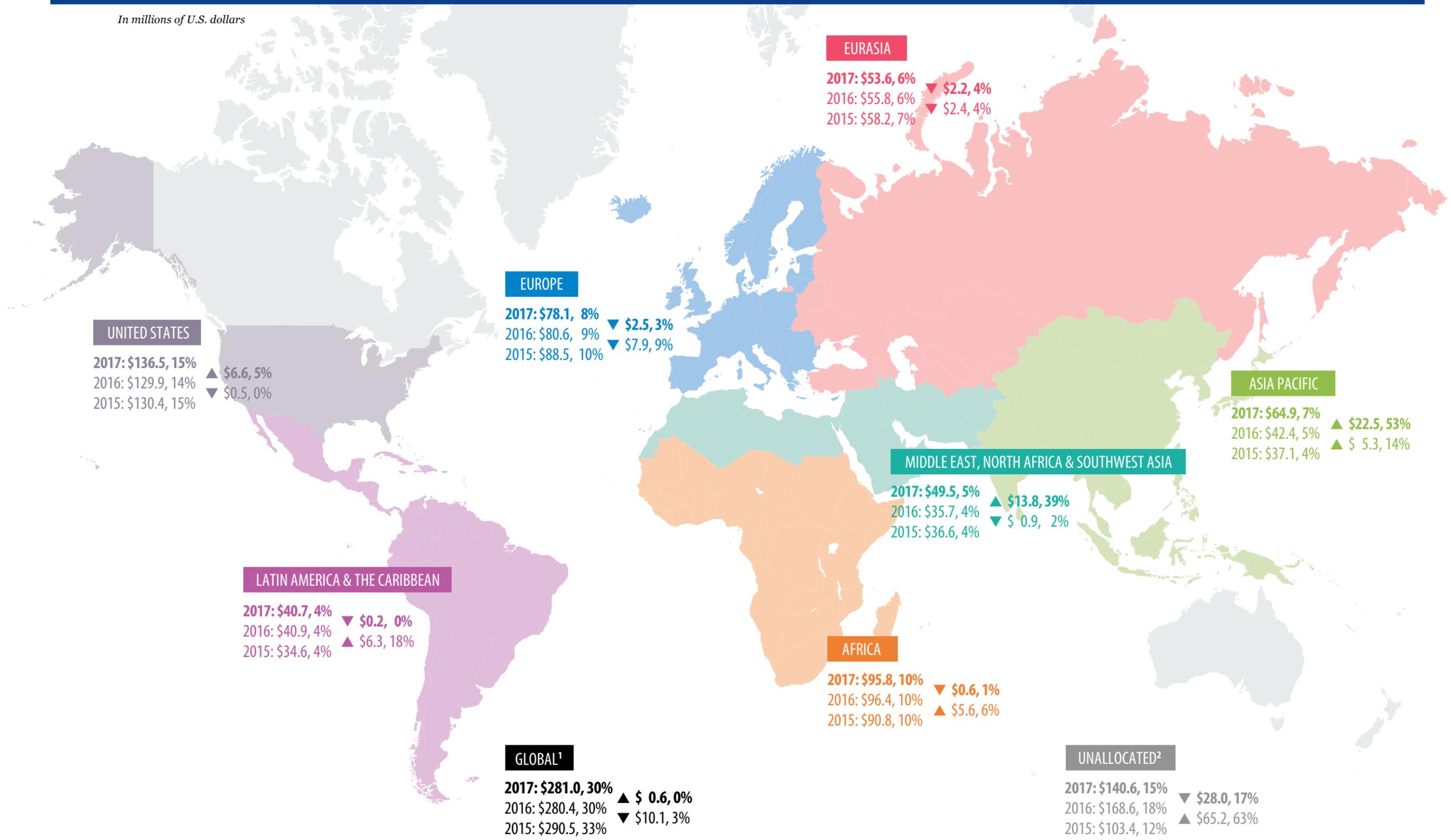
The 2017 budget at the regional level shows stable spending in Africa and Latin America as well as in the Global budget, and slight declines in Europe and

Eurasia. The apparent increase in the United States is a one-time effect of large institutional grants to a few organizations based in the U.S., but the budget of U.S. Programs is actually declining modestly. The two significant regional increases come in the Middle East, as a result of the Syrian refugee crisis, and in the Asia Pacific region, as part of our continued long-term investments there.

Even with these adjustments, our largest investments remain in the United States, Europe, and Africa, with Asia beginning to close the gap. In interpreting these distributions, it is important to bear in mind that staff costs in the thematic programs are not allocated to regions, so all appear in the global category.

**FIGURE 3: 2015, 2016 & 2017 BUDGET BY REGION**  
 2015: \$870.1 MILLION, 2016: \$930.7 MILLION, 2017: \$940.7 MILLION

*In millions of U.S. dollars*



1. "Global" indicates activities that are of global benefit, rather than of benefit to a specific country or region. "Global" also includes the costs of all central administrative departments.  
 2. "Unallocated" indicates activities where the specific country or region of benefit is not yet known.