The US is the 2nd-largest donor country to education; new basic education strategy launched in 2019

The US was the second largest donor country to education in 2016, having spent US$1.7 billion on education official development assistance (ODA), according to data from the Organisation for Economic Co-operation and Development (OECD). This amounts to only 5% of the US’ total ODA, meaning that the share it spends on education is below the average of 8% spent by OECD donor countries.

Though education represents a small portion of US ODA, the US is active in the sector. In 2018, as a result of the READ Act of 2017, P.L. 115-56, the US Agency for International Development (USAID) released a new strategy on basic education for 2019 to 2023, which focuses on 1) improving learning outcomes, and 2) expanding access to basic education for all, with a focus on marginalized and vulnerable populations. The strategy recognizes the potential for investments in international education to “serve as a force multiplier” for other development efforts, by paving the way for greater economic growth, improved health outcomes, sustained democratic governance, and more peaceful and resilient societies. As part of the new education policy, USAID has announced its plans to expand funding to private and religious schools in developing countries, citing the need to provide access to education to children who lack access to public schools.

The US has prioritized girls’ access to education. The Let Girls Learn Initiative was launched in 2015 by First Lady Michelle Obama and provided more than US$1 billion in funding in more than 50 countries. The program was discontinued in 2017, although a spokesperson for the Trump administration said that education efforts would be ongoing. In early 2019, President Trump signed a law authorizing USAID to protect girls’ access to education in vulnerable settings and collect better disaggregated data on girls’ education. The law also created a new position at USAID: senior coordinator of US Basic Education Assistance, responsible for the development, implementation, and coordination of US basic education programs.

President Trump’s budget proposals have repeatedly called for deep cuts to basic education ODA, but these have been consistently rejected by Congress. In the State and Foreign Operations (SFOPs) appropriations bills of fiscal year 2018 (FY2018) and FY2019, basic education was funded at US$800 million. The appropriations were passed through omnibus bills in March 2018 and February 2019, respectively (See Key Question 4: ‘How is the US budget structured?’). Although the FY2020 SFOPs appropriations are not yet final, the House has approved US$925 million for FY2020, including US$125 million for multilateral partnerships in education. The McGovern-Dole Food for Education program, which the president’s FY2019 budget zeroed out, was increased slightly from US$208 to US$210 million from FY2018 to FY 2019 in the Agriculture-Rural Development-FDA appropriations bill. The House passed FY2020 appropriation increased the budget to US$235 million. As of August 2019, the Senate has not yet acted on either appropriations bill for FY2020.

Bilateral ODA focuses on basic education, in line with USAID’s new strategy for the sub-sector

The US provided US$1.6 billion of its education ODA as bilateral funding in 2017, according to OECD data. The
biggest share of this was allocated to programs for basic education (US$1.2 billion, or 80% of bilateral education ODA), making the US by far the largest donor to this area. The focus is almost entirely on primary education (US$1.2 billion, 94% of funding to basic education), in line with USAID’s new strategy for the sub-sector. Another funding focus in 2017 was post-secondary education (US$219 million, or 14% of bilateral education ODA), which has received increased funding in recent years (up by 31% from 2015 to 2017).

The US is a founding donor to Education Cannot Wait and is the ninth-largest donor to Global Partnership for Education

In 2016, US$165 million, or 10% of the US’ overall education ODA, came from core contributions to multilaterals. The bulk of this funding (US$120 million, or 73%) went to the World Bank’s International Development Association (IDA) and the International Bank for Reconstruction and Development (IBRD; US$15 million, 9%). In addition, the US is the ninth-largest donor to the Global Partnership for Education (GPE), having contributed US$199 million (as of December 2017) since joining GPE as a donor in 2009. For the organization’s 2018-2020 replenishment period, the US has pledged US$75 million. The US reports funding to GPE as bilateral ODA. In addition, the US participates on GPE’s board, sharing a constituency seat with Australia, Japan, and South Korea. USAID participates in ‘Local Education Groups’, a forum for coordination of GPE and education-related work in more than 40 GPE-funded countries and is a coordinating agency for GPE’s work in eight countries (Afghanistan, Bangladesh, Honduras, Liberia, Nicaragua, Nigeria, Pakistan, and Somalia).

The US is also a founding donor to ‘Education Cannot Wait’, an international initiative launched in 2016 that aims to improve access to education services in humanitarian emergencies and crises. The US had committed US$21 million to the fund as of May 2019, making it the eighth-largest donor (top donors are Denmark, Canada, the UK, Germany, Sweden, Norway, and the Netherlands).

USAID’s education bureau drives global education policies; Congress sets funding levels, influences priorities, and authorizes programs

Several US agencies fund and implement education programs, including USAID, Peace Corps, Millennium Challenge Corporation (MCC), and the departments of State, Commerce, Agriculture, and the Interior.

USAID shapes and implements education foreign assistance in close coordination with the Department of State, under the guidance of the White House.

The Peace Corps is a volunteer program run by the US government that provides technical assistance and facilitates cultural exchange by placing volunteers in communities in developing countries.

The MCC provides multi-year development compacts to countries that have committed to political, economic, and social reforms on economic development with the goal to reduce poverty through economic growth.

Congress can also set priorities through legislative directives and authorize new programs and initiatives with the potential to significantly shape US development assistance. Important Congressional committees for US global education engagement include the House and Senate Committees on Foreign Affairs and their subcommittees as well as the Appropriations Committees of both chambers (for funding levels, including those for education).
THE US' ODA TO EDUCATION
US$ millions

- Multilateral education ODA
- Bilateral education ODA
- Education ODA as % of total ODA

OECD CRS, and imputed multilateral contributions to the education sector:
DAC secretariat estimates. In 2017 prices.

THE US' BILATERAL ODA TO EDUCATION ACROSS SUB-SECTORS, 2017
Total: US$1556 million

- Basic education: 79.7% (US$1240.1m.)
- Post-secondary education: 14.1% (US$218.7m.)
- General education: 4.9% (US$76.8m.)
- Vocational training: 1.3% (US$20m.)
- Secondary education: 0.1% (US$1.6m.)

OECD CRS. In 2017 prices.