
Ecuadorian Scholarship Fund

A Modest Proposal

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Abstract

I will personally guarantee to fund four year undergraduate scholarships for two students from Guayaquil, Ecuador for 4 consecutive years. That is a total of 8 such scholarships. If this program is successful, it could be renewed up to 16 consecutive years resulting in as many as 32 scholarships.

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1. Features of the Scholarship

- Emphasis on studies of liberal arts and sciences. This would include history, philosophy, art, literature, politics, biology, economics, languages, logic, mathematics, classics etc.. The goal is to expand opportunities for development in areas such as law, public administration, politics, education, military and policing, etc. Hopefully, this would increase opportunities for students interested in related areas and contribute to better social infrastructure and civic life in Ecuador.
- More specific and less abstract areas such as engineering and business administration and finance are considered already well served. So they are not included in this program.
- Pays the full tuition for 4 years at Hillsdale college.
- Requirements for admission and study.
 - Acceptance into Hillsdale by the same criteria as any other student at Hillsdale. More information can be found [here](#).
 - Demonstrated sufficient competence in both spoken and written English.
 - Work at the college for 10hrs/week to contribute to expenses.
 - Participate in the college's normal service activities.

Work and service activities are not solely to provide income. They also are meant to ensure full participation in life and values promoted at the college and required even for students who have their own additional income.
- Return to Ecuador upon graduation ???
- Funds for this scholarship would be managed as a donor advised fund with funds provided by myself and managed by trustees at Hillsdale college. It's possible that others might want to contribute to the project, but the plans described here are not contingent on this.

- Promotion, recruiting and nominations for scholarship recipients would be in the hands of a small committee of residents of Guayaquil, Ecuador in coordination with the offices of Field Recruitment and Financial Aid of Hillsdale college.

2. Why Hillsdale College?

Hillsdale College is and always has been a unique institution in many ways. The [website](https://www.hillsdale.edu) describes all of these ways. <https://www.hillsdale.edu> .

For our purposes, the following points are the most immediately relevant:

- Founded in 1844 by religious methodists as a college to provide education to all applicants regardless of race or sex. It historically it has been very active in the Abolitionist movement and the American Civil War. To this day it strongly encourages religious/moral points of view among its students but imposes no specific religion requirements. From what I can tell I would guess the student body is 70% Protestant, 25% Catholic and the rest other. (The Jewish club has 10 members. Rumor is that the Democrat club has 4 members but no one really knows.) Total student body is around 1500 students.
- Students are admitted based on test scores, GPA and other merit-based criteria. Information on ethnicity, gender, etc. is not considered. Hillsdale declines to collect such statistics and considers doing so contrary to its fundamental founding principles. For this reason, the U. S. Federal Government has declined to provide any kind of financial support to the college or its students directly or indirectly. Hence the need for programs such as this one.
- Students are generally socially and politically conservative. Visibly distinct from those in California. Similar to the distinction between Midwesterners and Californians generally. Very friendly and respectful.
- Very few foreign students. I think that this reflects the fact that it's not easy to recruit from overseas for such a small student body.
- Fewer minority students than in California.

For a take from a more objective source see this. Admission to Hillsdale is more competitive than average. Currently only some 30% of applicants are admitted.

Summary of My Visit to Hillsdale

In order to get a better sense of Hillsdale, I made arrangements to visit the institution personally.

- Sunday, 16 January 2022, Flew from Santa Barbara to Detroit and took shuttle to Hillsdale. Arrived in the evening.

- Monday, 17 January 2022,

Morning, met with Calvin Stockdale, (Senior Director of Institutional Advancement) for orientation and extensive campus tour. I explained my view of the situation in Ecuador and how Hillsdale could make an positive impact.

Afternoon, met with Jenny Pridgeon (Admissions, Director of Field Recruitment). Met with professor of computer science department. It's a one-man department.

- Tuesday, 18 January 2022,

Morning, met with Dr. Gary Wolfram, Director of Economics, William E. Simon Professor in Economics & Public Policy. Turns out that he earned his Phd at UC Berkely just after I finished my MS there. We were both students of conservative economics at that time giving us similar experiences there. Of course after graduating, we went different paths and as he phrased it: "What a long strange trip it's been". A very enjoyable discussion.

Afternoon, met with Rich Moeggenberg (Financial Aid Director).

- Wednesday, 19 January 2022, Attended two lower division classes:

Introduction to Political Economy, Prof Gary Wolfram. The lecture addressed the concept of demand curves, dependencies among them for related items, elasticity. etc. Well explained. Although I consider myself very well versed in economic theory, I'd either forgotten or never understood some aspects of this. The number of students in the class was approximately 15. A nice number for such an (undergraduate) class. It was somewhat surprising to me that I didn't hear any questions/comments from the students. I'm not sure whether this was due to the shyness of the students or that the material was too trivial for them.

American Heritage Prof Ken Calvert. This lecture related historical events related to the colonization of the United States. It's a broader topic than it first appears, touching on things from Oliver Cromwell and the English Civil War and various factions thereof, economic history of the period, etc. Very enjoyable, informative and entertaining. Again, as above, about 15 students. Again, surprised I didn't see much direct feedback from the students. In this case specifically, where the material stretches across a wide landscape: religion, economics, politics. Also it touches major historical milestones: English civil war start and end and introduction of slavery in the colonies. History wasn't at all boring here. I'm sort of wondering how one is going to address material of such breadth. How is one going to prepare and grade tests of all this stuff?

In both cases I was gratified by the detachment of the professors from the material. I didn't feel that I was being patronized or that the the professors were selling any sort of personal agenda and that any sincere question would be addressed. It's my view that this feature is very badly missed in instruction in many American institutions of higher education today.

3. Why Ecuador?

I spent 13 years in Ecuador, from 1972 to 1985. I arrived at the age of 24 with \$35 and no job. Over time, I got a job and made several attempts and building a business. Eventually I was successful.

One day in the late seventies, I was sitting outside in downtown Guayaquil drinking beers with Klaus Gyth, a good friend of mine. Two young boys were begging in the street. My friend said, "if we ever become successful, we've got to do something about this." We made that promise to each other. I've recently undergone a successful open heart surgery. I realize that keeping that promise is overdue. It's my intention to address this now.

Many people of goodwill were instrumental in my success. These included people who became my friends there and included people of all nationalities and backgrounds including Europeans and Ecuadorians. In 1985 I sold the business and moved to Germany with my wife, who was German. A year later we moved back to Southern California where I was raised and educated.

Ecuador is a small country in South America of some 17 million people. There is much available information online so we have no need to go into it here. For purposes of this discussion, the most interesting feature is the turbulent politics of the last 50 years. I'm personally familiar with the first 13 years of that period. While I was there there it had just struck oil, had two subsequent militarily dictatorships, populist democracy whose president died in a plane crash, moderate left wing president, military territorial dispute with rival Peru, real estate boom and bust, president who was conservative businessman. After I left, the chaos continued and I lost track of the details. It included among other things, a populist president whose signature accomplishment was the hit song "un loco enamorado" (lunatic in love) and who fled the country leaving it broke. Another conservative businessman/architect who was very well regarded. Another territorial dispute with Peru. Crash in value of local currency and replacement with the Dollar. After 20 years, this still stands! Throw in some failed coups, revolt by national police over pay, multiple prison riots with fatal consequences, multiple instances of media suppression, debt renegotiation, etc. I could go on, but this gives the gist. There are very positive things as well: e.g. Competent stewardship of priceless ecological resources including the Galápagos Islands and rain forests of the upper Amazon. Clearly its a very mixed bag with an abundance of good and bad elements. Almost anything is possible. Although Ecuadorians all seem to consider themselves Socialists, in particular cases, I would consider them to be mostly pragmatic and not particularly ideological.

4. Funding Requirements

Hillsdale has a "list" price for one year of undergraduate education. The following are these prices for the current term. Some 95% of students are charged less than this though through one of two programs: Merit based or Need based scholarships. Scholars in the current proposal would benefit from these programs to the extent they qualify. Any shortfall from the "list" prices would be paid by this scholarship fund.

Table 1. Billed Costs

Tuition	\$28,730
Mandatory Fees	\$1,312
Room (Residence Hall, double occupancy)	\$6,020
Board(19 Meal Plan)	\$6,120
TOTAL BILLED COSTS	\$42,182

Table 2. Non-Billed Budgetary Costs

Books	\$1,200
Personal	\$1,000
Transportation	\$1,000
TOTAL BUDGETARY COSTS	\$45,382

Table 3. Sources of Funds

Student contribution via 10/hr/work/week	\$6,000
Merit based scholarship	\$14,477
Need based scholarship	\$?
Scholarship contribution	\$?
Estimated Shortfall covered by scholarship	\$24,905
TOTAL FUNDS TO BE RAISED / TERM	\$45,382

I do not quite understand the motivation nor the rationale for this system. And I'm not sure that I got it right as to how it functions. But until proven otherwise, I'm going to presume that this explanation is correct. Given this, it's not possible to know how much contribution will be required from this scholarship fund for any year or number of years. Given that they will be drawn from a large pool of candidates, scholars are likely to qualify for merit scholarships. I'm going to assume that our scholars will receive the average amount of merit aid per term of \$14,477. Thus yielding an estimate required contribution of \$24,905 for the first year of study. This is totally speculative of course, but we have to start somewhere.

It has been my thought that funds required for the whole 4 years would be contributed when the student is accepted so that Hillsdale is absolutely guaranteed that the funds would be available when required. I don't know what the actual policy on this is. But I'll assume that it's true for this discussion. Assuming that the interest on monies deposited at this term were 5%, the value of the initial required contribution would be calculated according to the following table:

Table 4. Accumulated Cost of Funding a Four Year Degree

Year	Corresponding Contribution	Accumulated Contribution
1	\$23,809	\$23,809
2	\$22,675	\$46,484
3	\$21,595	\$68,079

Year	Corresponding Contribution	Accumulated Contribution
4	\$20,566	\$88,645

That is for one student - **\$88.645** for the whole four years.

I would like to see 2 new students / year (\$177,390) added in subsequent years for a total of 4 years. This would provide scholarships for a total of 8 students. Accounting for interest rate on savings similarly to the above would result in a total initial outlay of **\$660,464**. This is easily within my ability to provide.

The above amount is derived from assumptions and guesses of factors beyond my control and may have to be recalculated with different assumptions. Feel free to do this or request that I do it.

This is merely an estimate and depends on lots of other things. Among these are:

- interest rates and return on interim investments .
- rates of inflation. Hopefully evolution in interest rates and rate of inflation will tend to cancel each other out so that although any actual numbers noted here may change, the conclusions derived from them will still be mostly valid.
- contributions from other merit and/or need based scholarships
- contributions from relatives
- other possible expenses - e.g. Transportation to/from Ecuador.

The above numbers are shown to a precision which cannot be correct and would be better rounded. I've left the numbers unrounded to facilitate the double checking of the calculations.

5. Organizational Requirements

5.1. Hillsdale College

- Collect and administer donor funds. This includes collection, investment, disbursement, accounting etc.
- Evaluate and accept/reject applications for admission from individual applicants.
- Counsel individual students as part of the educational process.
- Disburse scholarship funds.

These are tasks that Hillsdale already performs on a regular basis. So hopefully should present no difficulties.

5.2. Volunteers in Guayaquil

What the college cannot do is to provide a presence in Guayaquil that can deliver suitable candidates to the college. This role would be performed in Guayaquil by a Committee that we plan to establish that would:

- Promote the existence of this program among persons involved in the education of local high school students.
- Recruit and counsel prospective applicants.
- Arrange help for such candidates to meet Hillsdale's rigorous entrance requirements. These may include SAT, ACT, TOEFL and/or other examinations and/or other requirements.
- Keep track of application status and/or timing.
- Fulfill any requirements of Ecuadorian law.
- Coordinate with personnel from Hillsdale college in relevant areas of admissions, financial aid, etc.

- Meet in Guayaquil on an occasional basis in order to establish plans and policies and monitor activities. I would expect meetings to occur during the Hillsdales recruiting/admissions season. (June to February). Frequency and specific agenda of such meetings would be decided via consensus among committee members.
- undertake activities which may be necessary such as bookkeeping, taking of meeting minutes, or research legal issues which might arise.
- establish bylaws which may be necessary to facilitate the operation of this committee.
- maintain a computerized mailing list.

Hopefully we can find one or more organizations interested in collaborating with us who can provide all or some of these services.

5.2.1. Steering Committee

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- Coordinate with personal from Hillsdale college in relevant areas of admissions, financial aide, etc.
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I would estimate that this committee include 3-5 members. Some of those might be institutions such as existing local high schools and the like.

5.2.1.1. Committee Officers

- Chairman - spokesperson for the committee. Must be Ecuadorian
- Secretary - keeps minutes at meetings.
- Coordinator with Hillsdale College - communicates with the college on behalf of the committee when necessary.
- Bookkeeper if necessary
- Mailing list & Web site maintenance if necessary.

Officers will rotate on a yearly basis in a manner to be determined.

5.2.1.2. Summary

The intention is that the local committee doesn't have any legal or financial responsibilities - these all being handled by Hillsdale itself. The focus of our local committee is to steer applicants through the process established and

adminstrated by Hillsdale college. Hopefully, this should require only a small commitment of personal time and no significant expense. One main benefit of this that we shouldn't be required to fulfill any onerous bureaucratic legal obligations. In the future we may decide to create a more formal structure. But for now, this is what we'll start with.

A pending issue would be how handle even "insignificant" expenses. E.G. Required for SAT and similar tests.

5.3. Founder & Sponsors

- Provides funding required to implement the program
- Recruits and Appoints members of the first Steering Committee.
- In conjunction with the first Steering Committee, approves bylaws

Initially there is only one person in this group - Robert Ramey. Perhaps in the future this list might be expanded

6. Frequently Asked Questions

In developing this proposal and sharing it with trusted friends, a number of questions have been posed. All have been very useful in refining this proposal.

- 6.1.** Will it be possible to find suitable persons and institution for the Steering Committee in a cost effective manner?

I'm not really sure. This is our first attempt.

- 6.2.** Will it not be a problem finding enough persons who share Hillsdales values to form a steering committee?

Some persons may find Hillsdales values out of fashion and/or off putting, I don't think this will be a big problem. The main appeal of the program is the quality of the education that Hillsdale provides. Not any particular ideology. It focuses on teaching critical skills and universal values rather than indoctrinating students with specific ideas.

- 6.3.** This program is tied to Hillsdale college with it's historical connection to protestant religion and values and enlightenment philosophy. Given that Ecuador is a Catholic country will this not be a problem? Will this make it difficult to form a Steering Committee?

I investigated this very question on my visit. I believe that my report along with Hillsdales web page information address any such concerns more than satisfactorily.

- 6.4.** Hillsdale makes a big point being independent of influence from government entities. This has resulted in Hillsdale being excluded from any US Government funding. This is what makes a program like this one necessary. It also may make the institution suspect in the view of some currently dominant political groups and perhaps the US Government itself. This actually is one of the main features that has attracted me to this institution. It could exclude this program from any being a candidate for collaboration with any US institutions such as local consulate. Is this a problem?

I can only speculate on the answer to this question at this point. We'll just have to wait and see. I doubt that we'll get any issues from the Ecuadorean Government on this point as my recollection is that the Ecuadoreans are proud of their relative independence from US Government influence.

In any case, In my presentation where Hillsdale is mentioned, I intend to put primary emphasis on the high quality of the educational experience - for which there is ample evidence. I don't spend a lot of time on the above issues related politics of higher education in the United States.

- 6.5.** Hillsdale was founded by free will baptists and while non-denominational, there appears to be a religious undercurrent ... which could be an issue for Catholics, though the pictures show a Jewish observant—so that this might be a non-issue.

the page: <https://www.hillsdale.edu/about/college-profile/> has a bunch of useful data. Under "Type of College" it lists Four-year, independent, classical liberal arts, coeducational, residential, nonsectarian Christian

- 6.6.** What is not clear is the ethnic diversity of the student body and faculty. They filled out no data for the comparison.

I wouldn't expect detailed statistics on ethnicity as that would run counter to the values that the institution supports. This includes rejection of tenets of identity politics and emphasis on merit as a criteria in admissions, grading, etc. This same page shows total undergrad count of 1466 students including students from 14 different countries. Note that currently there are no students from Latin America.

- 6.7.** Generally where there is a cadre of Latins, other Latins feel more welcome. However, if there are very few with few ethnic faculty, then a couple relatively less advantaged Ecuadoreans could really stand out and be isolated. How is the school structured for this population or is it not yet ready. We would want to have a program where kids feel welcome and not exceptional. There is also an issue of economic mix disparity-with our kids on scholarship and other ethnics might be super rich, not really allowing a mix. These issues concern me as my daughter went to a small liberal arts school-Middlebury. There were very few ethnic students and few ethnic faculty and they really were apart from the rest. There she felt some racism and she is clearly half Gringa. To have successful program, students must be successful and that means happy.

Right. This is why I don't believe ethnic divisions should be promoted. In the current context I think it should be addressed on a case by case basis. That is if a student doesn't feel comfortable unless his ethnicity is explicitly considered in some way, this would likely not be a good program for him. Hillsdale explicitly states that merit is the only appropriate measure to be used in judging students. This is one reason that it is prohibited from accepting any funding from the US government. Students which attend will have to adjust to this way of thinking and find a way to reconcile this with the ideas currently in vogue. They will have to learn to think for themselves. Yeah - life will likely be a little harder for them - but they'll more likely get a real education.

- 6.8.** With the current political climate and with Michigan being a red state we must be careful that our students are not treated poorly.

LOL - of course I've got another view. I think that the treatment of most students in US universities today amounts to intellectual equivalent of abuse of adolescents. Their web site: <https://www.hillsdale.edu> along with the information in the public domain you've found make me comfortable that the only agenda of this institution is teach young people how to think for themselves. This outlook is sadly lacking in most US institutions of higher learning.

- 6.9.** What are the entrance requirements to Hillsdale College? SAT/ACT/other/essays/personal interview/obviously serviceable English? This is a daunting, tough and very time consuming process. Clearly, the job is not done here until the two candidates are accepted and have arrived in Michigan and are enrolled. That is a lengthy process and full of potential missteps and mis-communications.

I'm afraid I don't have more specific requirements regarding admission requirements. I'm guessing that test scores would be a big part of it as GPA across countries, school types, etc are very hard to use for comparison. Also the recommendation of the local Steering Committee might play a big role.

- 6.10.** Also, until the person has the appropriate student visa(another full and expensive process), has the ticket and all the personal gear ready to go to travel to Hillsdale is another nine yards. Probably most candidates will have never left Ecuador, so there will be the normal angst of that trip which must be managed. They will probably need help with the acquisition of a PC perhaps best done in Michigan.

I should note that Hillsdale has a highly structured environment for at least the first two years. All students are required to live at the on campus dormitory for at least 2 years. They are accustomed to provide support and supervision for such students. I envision a requirement that scholarship recipients accept campus employment of 10 hrs/week. There is also a requirement some sort of service. The financial aid setup contemplates all the issues above are handled by the college. That is another reason why this college is well suited as a destination. I believe that all these issues are addressed by the financial aid package administered by the college. They take a very proactive role in "managing" their students. Not something that I would have

preferred when I was their age, but I think it works well for our purposes. I'm very confident that If we get them prepared so they can be accepted, the rest can be handled by the staff at Hillsdale.

- 6.11.** I believe you would need the right kind of coordinator here to manage all these details to assure that two qualified persons are finally enrolled.

I understand your concerns here. But I think it's too early to firm up these sort of details. In the course of talking with prospective "plan administrator", I think (with help and collaboration with my contacts at Hillsdale) we can make an agreement that will satisfy everyone.