

## Memorandum to LSE Council

### LSE and the Qaddafi Foundation: a Dissenting Note

1. As senior academic and administrative colleagues are aware, I have, since visiting Libya in 2002 as part of a British Council delegation, had serious misgivings about some of the School's dealings with that country. These I have expressed on numerous occasions, in writing and verbally, to senior colleagues. While I am in favour of British government and business attempts to develop links with Libya, and support LSE work that is of a consultancy and advisory character, and while encouraging personal contact with whatever Libyan officials we meet, I have repeatedly expressed reservations about formal educational and funding links with that country. Most recently, upon hearing that Council had approved a grant of £1.5m. from the Qaddafi Foundation, and prior to the signature of the agreement between the School and the QF, I wrote to senior administrative staff (the Director, Pro-Director for Research and External Relations) and to Professor David Held, the leading proponent of our accepting this grant, expressing my misgivings. Subsequently, on September 8, I had an extensive meeting with Professor Held, and with two officials of ODAR, at which our disagreements were aired. The following is a summary of my main concerns, ones anterior to, but reinforced by, developments over the summer in regard to the Lockerbie affair. I understand, indeed, that Council is intending to re-examine this matter, and hope that the following comments will be of assistance in that regard.

#### 2. Major Concerns

On the basis of the documents and conversations I have had with School officials about this matter, I would wish to register the following reservations about acceptance of the Qaddafi Foundation donation:

- (i) While it is formally the case that the QF is not part of the Libyan state, and is registered in Switzerland as an NGO, this is, in all practical senses, a legal fiction. The monies paid into the QF come from foreign businesses wishing to do business, i.e. receive contracts, for work in Libya, most evidently in the oil and gas industries. These monies are, in effect, a form of down payment, indeed of taxation, paid to the Libyan state, in anticipation of the award of contracts. The funds of the QF are, for this reason, to all intents and purposes, part of the Libyan state budget. 'NGO status', and recognition of such by UN bodies, means, in real terms, absolutely nothing. Mention has been made, in verbal and written submissions to the School and in correspondence to myself, of the membership of the QF's advisory board: a somewhat closer examination of the most prominent politicians involved, and of their reputations and business dealings, should also give cause for some concern.
- (ii) That the President of the QF, and its effective director, is himself the son of the ruler, and, for all the informality of the Libyan political system (even the 'Leader', Colonel Qaddafi, has no formal position), in effect a senior official of that regime, confirms this analysis. In Arab states many of the most

- important positions have no official title, and kinship, and informal links, are more important than state function – and this, above all, in Libya.
- (iii) Much is made by supporters of the QF grant of the fact that Libya is changing internally. This may or may not be the case – it is simply much too early to say. Certainly, the overwhelming balance of informed press conference, and the reports of human rights organisations such as Amnesty International and Human Rights Watch, is that while some of the worst excesses have, for the moment ceased, Libya has made no significant progress in protecting the rights of citizens, or migrant workers and refugees, and remains a country run by a secretive, erratic and corrupt elite. Perhaps part of the problem here is a misunderstanding by colleagues of the role of the ‘liberal’ wing within such states. It is not a question of whether or not they are ‘sincere’ – they may well be – but of what their function is: in Libya, as in such states as Egypt, Saudi Arabia, Iran the primary function of such liberal elements is not to produce change, but to reach compromises with internal hard-liners that serve to lessen external pressure. So it has been, since 2002, with the various Libyan initiatives affecting LSE and the UK/US foreign policy establishment in general.
  - (iv) Much is made of Libya’s altered position in international relations. For sure, and for reasons of its own, the Libyan government has, above all since 9/11, negotiated compromises with the west on a number of issues, notably Lockerbie and nuclear weapons. Its leaders have met a number of politicians and diplomats from foreign countries. This is all to the good. But it is worth being cautious here. First, because tactical changes in foreign policy are not, for the purposes of evaluating political and academic links, sufficient. Secondly, because, although in some areas of foreign policy the country has changed, in others it has not: it continues to call for solution to the Arab-Israeli dispute that in effect, involves the abolition of both the Israeli and Palestinian states; it is using its money and influence to provoke extremism in southern Africa; its leader has recently called for the abolition of a sovereign European state – Switzerland. Among the guests of honour at the 1 September 2009 celebrations in Tripoli was the leader of the Somali pirates, operating and menacing international shipping in the Horn of Africa. I will not dwell here on the summer’s events surrounding Lockerbie: suffice it to say that Libya’s handling of this has not been characterised by either consistency or clarity.
  - (v) The most important issue of all is that of reputational risk to LSE. I have myself defended acceptance by the School of grants from some authoritarian countries (e.g. Arab Gulf states): but there should be clear limits on this, depending on the degree of political and human rights abuses perpetrated with them and on their ongoing foreign policy conduct. Here I would draw attention not just to the prevailing consensus in Whitehall and the City, which are now happy, for their own legitimate reasons, to do business with Libya, but to broader reputational concerns in regard to British and American public opinion, particularly with regard to Lockerbie. For these and other reason the same concern applies across the Middle East, in the Arab world as much as in Israel, where reserve about this state, and about its more prominent ‘liberal’ representatives, remains high. And for good reason. The most restrained reaction I have had from alumni now occupying positions of responsibility in the Middle East is that it is far too early for the

School to take this step. For this reason, and taking into account the other factors mentioned above, I welcome Council's decision to re-examine this matter.

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