

ACADEMY FOR EDUCATIONAL DEVELOPMENT
THE AED GLOBAL LEARNING GROUP

**EDUCATION IN THE MUSLIM WORLD:
WHAT'S NEXT?**

WELCOME:
STEPHEN F. MOSELEY, AED PRESIDENT AND CEO

FRAMING THE CHALLENGE:
MAY RIHANI, AED SENIOR VICE PRESIDENT & DIRECTOR,
CENTER FOR GENDER EQUITY

MODERATOR:
CARYLE MURPHY, PULITZER PRIZE-WINNING REPORTER, THE
WASHINGTON POST, AUTHOR OF *PASSION FOR ISLAM*

PANELISTS:
DR. UZMA ANZAR, AED EDUCATION SPECIALIST AND EXPERT ON
EDUCATION IN AFGHANISAN, PAKISTAN AND YEMEN
HUSAIN HAQQANI, VISITING SCHOLAR, CARNEGIE ENDOWMENT FOR
INTERNATIONAL PEACE
DR. MALAK ZAALOUK, DIRECTOR OF EDUCATION, UNICEF
AMBASSADOR FRANK WISNER, FORMER U.S. AMBASSADOR TO EGYPT

Academy for Educational Development
Washington, D.C.
November 20, 2002
3:00 PM

*Transcript by:
Federal News Service
Washington, D.C.*

(Joined in progress.)

STEPHEN F. MOSELEY: -- I am very pleased that you have have joined us this afternoon. I think this is a subject in which many people are deeply engaged today.

I will say that I realized in thinking about greeting you that I counted up the fact that over 20 years we've been working with over 20 countries that are predominantly or significantly Muslim in population, or Islamic in background. It's about a quarter of those countries in which we're engaged in education, health and nutrition across the world, all of the continents of the world. And in doing that, it reminds me what a significant part of the globe -- touching every part of the globe that this subject is relevant to.

This is one of a series of five symposia. It is sponsored by our Global Learning Group, one of the five groups at the Academy. I'd like to introduce the directors of that Global Learning Group. They are Beverly Jones, who's sitting here; Marcia Ellis, who's sitting here. Would you both stand up? And the third co-director is May Rihani, who is also going to join me in introducing our distinguished panelists, who is a co-director of the Global Learning Group and the director of our Center for Gender Equity, which is a crosscutting center here at the academy.

AED began its work in education, focused on higher education. And it wasn't long after our founding, almost 41 years ago now, that we found ourselves involved in some aspects of higher education throughout the developing world. At the same time, however, we quickly reoriented our activities to focus on really the disadvantaged students who were not in school, the need for access, the need to improve equity, and the need to improve quality at all levels of education.

I think those of you who know us recognize that we have been deeply engaged in basic education, particularly focused on access and quality of education for girls around the world. And that today, we have taken the liberty of extending education to being education in relationship to the community at large, and the many things that impact on children and their families from the community. And we have extended that to engage ourselves in leadership development, in social change activities, the concerns and ways in which the environment can be influenced by information, education, and communication, as well as democracy.

Finally, I would just say, since we're probably mainly gathered here from a background with international contacts, that we in fact focus, 35 percent of our programs on domestic education and workforce development. But it's within that context that this

is an incredibly important subject that we all will be addressing together. What's next is not what's next tomorrow, but what's next over a considerable period of time in our lifetime, in which we have an opportunity to work together to address common needs both in this country and around the world, and across countries globally.

So I'm just delighted to welcome you to the fourth of our 40th anniversary symposia, leading to the fifth, which, I guess, will almost be in the third year of our celebration of a birthday -- I guess some birthdays should be continued forever. So I look forward to seeing you again. I'm going to now welcome and thank May Rihani for introducing our panel this afternoon.

May, thank you.

MAY RIHANI: Welcome, everybody. As someone who was born in Lebanon, and as someone who worked in most of the Arab countries and a large number of Muslim countries, it gives me great pleasure to welcome you all on behalf of the Global Learning Group and, of course, on behalf of AED.

AED and the Global Learning Group have a long history of work in Middle Eastern, Asian and African-Muslim countries. This symposium builds on that experience and on that history. The Global Learning Group recognizes the centrality of education, and recognizes how, through education, paradigms can be cast, values shaped and visions formed. Our symposium today will assess educational achievements in some Muslim countries, will recognize success, and will address key challenges.

Education has always been a cornerstone of forming new generations. Our outlook and efforts after 9-11 is even more critical than before. This symposium will address questions such as, what role does Muslim culture play in education? How is educational progress being effected? What is education's role in shaping the minds and attitudes, and positions of the new generation of that part of the world? We are here to listen, to learn, to discuss and to debate with panelists of distinction and knowledge.

Let me, at this stage, introduce our moderator so I can turn the floor to her. Our moderator is Caryle Murphy, and Caryle is a veteran reporter for the Washington Post, and author of the recently published "Passion for Islam." The subtitle of her book is "Shaping the Modern Middle East: The Egyptian Experience."

Her book grew out of her experience as the Post Cairo correspondent covering the Arab world from 1989 to 1994. During her tour in Cairo she visited many Arab countries and saw firsthand the reawakening of Islam and its impact on society. Caryle was in Kuwait the day Iraq invaded, and she reported from Saudi Arabia during the Gulf War. For her work she won the Pulitzer Prize for International Reporting in 1991.

Caryle currently covers religion for the Post. Caryle, I would like to turn the floor to you.

CARYLE MURPHY: Thank you, May. Good afternoon. I'm happy to be here, and I welcome you all. I'm going to first give a brief introduction of the people sitting up here beside me before I give my little presentation.

To my immediate left is Dr. Uzma Anzar. She's an AED education specialist and an expert on education in Afghanistan, Pakistan and Yemen. Next to her is Husain Haqqani, a visiting scholar at the Carnegie Endowment for International Peace, and a syndicated columnist for the Indian Express and The Nation. Then we have Ambassador Frank Wisner, former U.S. ambassador to Egypt and now a businessman in New York. And we have another panelist, who is a virtual panelist. She will come to us through a videotape, and her name is Dr. Malak Zaalouk, from Egypt.

I thought that I would give a few remarks today to set the context for our discussion about the United Nation Development Program's Arab Human Development Report of 2002, whose title is "Creating Opportunities for Future Generations." Now, I'm sure that many of you in the audience are familiar with this report, which was written by Arabs for Arabs, and which, since coming out in July, has sent shockwaves through the Arab world. If you have not seen it, I highly recommend it. You can download it from the UNDP's website.

I'm going to recall some of the highlights of this report to give our discussion some background and context. The report paints a dire picture of the Arab world, as far as its future goes. It sees the Arab world at a crossroads, where decisions made in the immediate future are going to have long-term consequences. Either the Arab world begins to deal with obstacles to human development and have a fighting chance to compete in the new globalized world, or, the report says, the Arab world will procrastinate, avoid dealing with these obstacles, and fall too far behind to ever catch up.

"The severe consequences of the continuation of present trends" -- and I'm reading from the text now -- "means that all Arabs need to make inescapable strategic choices. These choices need to be faced directly and urgently. The fundamental choice is whether the region's trajectory and history will remain characterized by inertia, or whether prospects will emerge for an Arab renaissance."

Now, the report identifies and discusses what its authors see as three major deficits that need to be urgently addressed. One is the freedom deficit -- and here they are talking about the political situation. The second is the deficit in the empowerment of women. And the third is the deficit that we are here partly to discuss today, and that is the deficit in knowledge, both in educational opportunities and in attitudes that govern the acquisition and the application of knowledge.

There are some chilling statistics in this report. Some 65 million adult Arabs are illiterate, two-thirds of them women. This is even lower a percentage than in Sub-Saharan Africa. Only .6 percent of the population uses the Internet, and personal computer penetration is only 1.2 percent. Investment in research and development is well

below the world average of .5 percent of GNP. By comparison, Japan spends 2.9 percent, and Israel spends 2.35 percent of their GNPs on investing in R&D.

The report suggests that Arab countries have a significant knowledge gap and recommends urgent action in the areas of knowledge absorption, acquisition and communication. And all of these, the report states, will require what it calls attitudinal changes, including greater respect for science, the encouragement of creativity and innovation, promoting a free flow of information, and a commitment to openness.

I am reminded of the famous Islamic dictum or proverb in which the Prophet Mohammed urges Muslims to seek knowledge, even unto China; China being the simile for the ends of the universe.

Now, chapter four is the one that deals specifically with educational opportunities and the lack thereof. And it speaks about, “a radical vision of education reform,” to deal not only with the lack of opportunities, but with the, “poor quality of education.” The report says that poor quality has become the Achilles heel of education in the Arab world, a flaw that undermines its quantitative achievements, the quantitative achievements being the spread of public education in many Arab countries.

The gut of the chapter is on page 55, where it lists 10 principles for reform of education. And let me read a few of the most provocative ones:

“The individual should be central to the learning process.” “The dignity of the individual should be respected.” “Without denigrating higher values and established creeds, intellectual and cultural heritage should not be immune to criticism and to change in the face of scientific evidence.” “Dialogue should be valued as an indispensable process, one that’s as likely to end in agreement as in disagreement.” And, “Education should integrate the Arab world into the age in which they live, an age governed by the exactness of science, its causality, rigor and method.” These are things that we take for granted in our educational philosophy here in the United States. They’re not ones that are taken for granted yet in the Arab world.

I’m going to give you some personal observations I had while I was reading this report. First of all, I was struck by the almost total absence of jargon and clichés. As any writer knows, when he or she is emotionally involved in the topic and feels an urgency, jargon and clichés just don’t come to mind; language excels.

This report is beautifully written. The director -- the person who directed the report, assistant secretary general and assistant administrator of the Regional Bureau for Arab States, UNDP, Dr. Rema Halaf-Hunadi (sp). She wrote in the introduction, “This report, the vision outlined in this report, is unleashing” -- and this is a beautiful sentence - - “unleashing the innovative energies of all Arabs, in the context of an enabling social contract.” This is what this report is all about.

I also had another intriguing thought. How long will it be before citizens of Arab states become perennial instead of very occasional winners of Nobel Prizes? I'm going to relate a conversation I had while I was in Egypt that's relevant to the report, which I will never forget. I was speaking with an Egyptian -- I don't now remember who it was -- and we were talking about another Egyptian who had emigrated to the United States and become very well known in his field. And the Egyptian said to me, "You know, there's nothing wrong with us Egyptians. We just need the right environment to succeed. That's why Egyptians do better when they go overseas."

The second conversation was with a businessman who was also a member of the upper house of Parliament in Egypt, which is called the Shura. He had immigrated to the United States for 20-odd years and then returned home for good. And the day we were talking, he really was dressed beautifully, and I complimented him on his tie. And he told me that he'd bought it in the United States. He said "Thank you," and then he said something else. He said, "You know, there's a difference between your country and mine. You say you like my tie, and you tell me so. Many Egyptians accuse me of showing off, of trying to show I'm better by wearing a nice tie that I bought overseas. They're jealous if you're successful." I thought this anti-success or anti-excellence bias is not unlike the attitudes we've seen in low-income urban neighborhoods in the United States, where teachers have had to fight the ideas of some minority students that their peers who excel in school are acting like white people, and therefore they shouldn't be emulated. I'm sure you've all read the stories that the Post and other papers have done about this.

I also thought of the cultural, political and religious obstacles in a place like Egypt, to what this report is trying to recommend in education and knowledge. The religious authorities in Egypt are dominated by a worldview that is anti-innovation, anti-openness, anti-creativity. The 10 principles, which I told you on page 55 are the gut of this chapter, they pose a threat to these authorities. At the same time, these 10 principles will not be wholeheartedly adopted by Egyptian society and the government bureaucracy unless they're underpinned by a religiously rooted mandate for change. I also thought about the political obstacles. How can what this report is recommending happen in a country where the government still wants to control every civic association, where the government, under pressure from religious conservative authorities, bans Maxine Robinson's book on Prophet Mohammed, and the minister of Culture was criticized in Parliament for allowing a picture of Gustav Klimt's "Adam and Eve" on the cover of a magazine?

And I pondered the breadth of the recommendations in this report, and I must say I felt discouragement. But discouragement is the mother of inertia and apathy. What the West and the United States can do, I think, is to dissipate that discouragement when we see it in Arabs who are seeking to bring about real attitudinal change that will underpin educational reform, by working with them as partners and showing that change can indeed come.

Now, on that note, I'm going to introduce, further, our first speaker. Dr. Anzar is an education specialist here at the AED. She's a native of Pakistan and has worked in and studied education reform in several Muslim countries, including Afghanistan, Yemen and Pakistan. In Pakistan, she helped establish 1,500 schools in some of the remotest areas, and more than 53,000 girls are now enrolled in these schools. She's going to start the discussion today with an assessment of education in the Muslim world, based on the goals of access, quality and management set at the 1990 Education for All Conference in Jomtien, Thailand.

Dr. Anzar.

UZMA ANZAR: Let me begin by saying that Muslim societies once enjoyed glorious days of pluralism, cultural, scientific and educational advancement at the time when Europe was immersed in darkness. But unfortunately, this is no longer true.

After the defeat of Muslim empires one by one, the Muslim leaders and clergy members, in particular, have often called for the closure of doors on *ijtihad*. *Ijtihad*, when broadly defined, means independent reasoning, questioning, seeking knowledge and making appropriate choices. For these people, calls to going back to the basics mean going back to the times of the prophet. As a result, despite exponential advances in education and science in the West, many countries in the Muslim world are unable to respond both culturally and educationally to the popular development models. The number one reason for this stagnation is poor quality, delivery and management of education. Add to that corrupt politicians, dictators, lack of freedom and economic deterioration, and then you have the icing on the cake.

For this presentation, I'm going to focus on a selected number of Muslim countries that have been brought to the limelight after the tragic events of September 11th. These cover most regions of the world. They include Egypt, Morocco, Yemen, Iran, Iraq, Bangladesh, Pakistan, Indonesia, Mali, Senegal and Sudan. Let's look at the progress of these countries in primary education.

In 1990, the world community got together in Jomtien, Thailand to discuss the issue of education for all. This was the point when more than 150 million children were out of school, and about two-thirds of them belonged to Sub-Saharan Africa, South Asia and a lot of countries in the Middle East. All countries present in Jomtien committed to achieving universal primary education for all by the year 2000. Twelve years after Jomtien, this goal has not been achieved by many, and that includes a large number of Muslim countries. Yes, there have been some noticeable improvements at the primary level, but gender gap, access and quality remain big issues in these Muslim countries.

Let's look at some numbers. The blue bars depict the data from 1990, and yellow the latest, which is 1999 and 2000. As you can see, whereas Pakistan, Bangladesh, Mali and Morocco, that already had very low enrollment rates in 1990, have made considerable improvement in enrolling more students at the primary level. Others have only marginally increased this number, whereas Egypt, Bangladesh, Iran and Iraq are

about to achieve -- are close to achieving universal primary education numbers; that is, enrollment numbers in Iran, Iraq and Indonesia have declined by a few percentage points. And as you can see, Pakistan, Morocco, Sudan, Mali, Yemen and Senegal have a long way to go as far as education for all is concerned. And if you take an average of these enrollments of these 11 countries, the average is 88 percent gross enrollment rate, which, if you talk in terms of net enrollment, is even lower.

Now, let's see what they have done in the secondary education sector. In this category, only Bangladesh and Iran seem to have made some noticeable progress. All others have only slightly increased enrollment at the secondary level. Egypt, where the government and donors have invested heavily in this secondary education sector, has only increased enrollment at this level by a few percentage points; that is, during the last 10 years they have only increased gross enrollments by less than 10 percentage points. This, given the fact that a lot of money went into it, is a lot lower.

Iran is the only country that seems to have done well, given the fact that no donor was there to help them, or no major donor was there. And as you can see, universal secondary education is not something that any of these countries enjoy. And this is the point; that is, secondary education, which, if not addressed properly, leads to dire consequences, as we have seen.

What are the reasons behind these grim statistics? In many of these countries, educational access remains an issue for many children, especially poor and rural children. Schools are located at great distances where children, especially girls, cannot walk to easily. Schools are overcrowded, teachers are not trained, teachers are usually absent, there are no instructional materials, and learning is no fun. In addition, even in those countries where education is free, there are certain indirect costs that prevent many children from attending schools. High school costs are a special deterrent to schools, because a girl in a poor household is the poorest member of the household.

As we have seen from the enrollment rates during the last 10 years, there has been limited investment in secondary education. This leaves no incentive for children enrolled at the primary level to stay in school and complete their education, because at the end of the primary cycle, they face a dead end. So why study? Gender gaps are high at the primary level in many countries, and they become more pronounced at the secondary level in most of these countries.

In some countries, the gender gap is actually widening -- for example, Yemen and some parts of Pakistan. Poor quality of education is an issue in all of these countries. With the exception of Egypt, Iran, Indonesia and perhaps Morocco, none of these countries' students have ever participated in any major international student achievement testing. And when they did participate -- for example, Egypt, Iran, and Indonesia -- they scored at the lower end of the curve.

In Bangladesh, Mali, Senegal, Morocco, quality in the public education sector was never so bad as it is today. For example, in Bangladesh, the student-teacher contact

time is only 2.5 hours per school day; that is, a situation where a teacher has to mind 60 students, on average. Even though donors and governments have been busy trying to increase the enrollment, no substantial investment was made to improve quality; whatever programs we see are implemented by international agencies or local NGOs. The institutional capacity of most of these governments to design, implement and evaluate their teacher training programs is not there, or it's very limited.

These problems in the public education sector are actually widening the gap between the rich and the poor. The rich, because they have access to private education, are then better positioned to acquire jobs that are already limited in all of these countries. As a result, in countries such as Pakistan, Bangladesh, Yemen and Egypt, there has been a sharp increase in the demand for religious education, which is free, and at least provides a basis for employment in the religious sector. So it has a lot of appeal.

And, of course, there are many deficiencies in the educational management in these countries. These systems are highly centralized -- for example, Egypt, Morocco, Yemen. And even in those countries where the systems are decentralized -- for example, Pakistan, Bangladesh, and Indonesia -- the capacity is not up to the mark to support teachers and students, or is limited to urban schools.

What next? What can be done to solve the problem of education in these countries? There are many things that need to be done, definitely, and no single approach will work. There has to be a comprehensive education development plan that has to be implemented, regarding to the situation in these countries. But there are certain things that I think, based on my experience, that are necessary to be addressed immediately.

The most important aspect of developing education programs and investing in any of these countries is to first assess the commitment of the government to educational reforms. Unless education becomes a priority not only in words but also in deeds, the enrollment and quality issues will remain. Donor-driven education development is never sustainable if the government is not committed to making permanent improvement in the education system.

There is a need to shift the focus from increasing the enrollment to improving the quality. Teacher training and curriculum changes must become priorities for both donors and the government. Religious education should not be ignored at all. There have to be concerted efforts to improve educational quality in religious institutions by introducing secular subjects. If this sector of education is ignored and is left in the hands of private financiers, the radicalism will keep on rising in these countries.

And last but not least, given the fact that most of these countries have close to 50 percent female population, it is extremely important that girls are provided educational opportunities both at the primary as well as the secondary level. This will allow them to not only contribute to the economic development improvement of their household, but also economic development of their country.

In conclusion, if I were to give a report card, a grade to these countries on their performance in the education sector since Jomtien, other than Iran and Bangladesh, most of them would get a D. D means that they do have a potential but are not trying hard enough. Iran would get a B-minus because it has done relatively well, given the fact that it did not have any international donors, and Bangladesh would get a C because it also has done quite well, given the fact that it faces abject poverty and other issues in that country.

Thank you.

MS. MURPHY: Thank you for that tough report card, Dr. Anzar.

Husain Haqqani is a journalist, diplomat and former advisor to three Pakistani prime ministers. Currently a visiting scholar at the Carnegie Endowment for International Peace, he is a syndicated columnist for the Indian Express and The Nation. Mr. Haqqani attended a madrassa in Karachi for six years in the 1960s as a part-time student. And his recent article on madrassas entitled “Islam’s Medieval Outposts” appears in the current issue of Foreign Policy.

And for the participants, there are copies of this article, as well as another one by Mr. Haqqani at the back outside, which you can get when we have finished here. Mr. Haqqani is going to discuss “Islamic Education: Beyond Conformity.”

Mr. Haqqani.

HUSAIN HAQQANI: Thank you very much. Discussing the subject of education in the Islamic world is actually discussing history, in many ways. And the reason for that is very simple: the world of Islam is rooted in its history, and no discussion of any current or contemporary development takes place in the Muslim world without reference to history.

The Islamic education, or the problem of Islamic education, is not a new one. It is often thought that the madrassas are a problem, that hate the rest of the world on 9-11, just as those planes hit the Twin Towers. The fact of the matter is that Islam and the world of Islam has grappled with the issues of education from the 11th century onwards.

Soon after the Prophet Mohammed, the Muslim empire started spreading. And when it spread, it did not have an institutionalized clergy, and therefore was very pluralistic and open to adaptation. By the 11th century, the Muslim rulers realized that they’d need a legitimizing ideology or philosophy, and having created a big empire, they decided that that the legitimizing idea would be derived from a verse in the Koran where it says, “Obey God, obey the Prophet Mohammed and those who lead you from amongst you.”

From this came the notion of the righteous ruler, that the ruler who actually implements Islam in a righteous manner should command the obedience of the believers.

And that, of course, gave the idea to a Seljuk vizar in the 11th century by the name of Nizam-al-Mulk, who came up with the brilliant idea of setting up an educational system that was structured to create this conformity; that would ensure that people had a specific idea of what constituted righteousness, and then apply that to justify that the Muslim rulers who ruled them, since he was a vizar -- not the ruler himself but the ruler's advisor -- that the ruler would then be justified and legitimated by the fact that he fulfilled the criteria of righteousness.

The madrassa that was established at that time was the first big, institutionalized, structured madrassa, and it basically divided education into two parts: the rational sciences, which were known as *ulumi aqli*, and the revealed sciences. The revealed sciences meant study of the Koran, study of the sayings of the Prophet Mohammed, known as Hadith, exegesis of the Koran or commentary on the Koran, known as "Tafseer." And so several subjects were created that were the revealed sciences. But if you look at the rational sciences, they were also very limited. They were polemic, grammar of the Arabic language, rhetoric, logic, instruments that would enable the scholar to be able to understand the revealed sciences. That is where the Islamic educational system, which lasts to this day as the madrassa, evolved.

Of course, in the initial period the rational sciences included physics and chemistry, medicine and engineering, which was necessary for the empire. Then came the Crusades and the period subsequent to them when the Muslim empires started expanding, having the problems of expansion, and subsequently after the sack of Putad (sp) in the 13th century came the problem of declining Muslim empires.

And in those periods, the Muslim rulers held on very firmly to this particular educational system, because the *ulama*, as they were called, *ulama* literally meaning "the learned ones," the learned ones who came from this system had a very limited explanation of what a righteous ruler was. The righteous ruler was one who allowed everybody to say their prayers in mosque on Friday. The righteous ruler was the one who allowed the collection of the *zakaat*, which is the Islamic concept of alms and charity. A righteous ruler is one who fights the infidels if they attack the world of Islam, et cetera, et cetera. And that provided the legitimizing authority.

The Muslims, in those periods, you must understand, were a rising power still. Islam was spreading. The lands that the Muslims were conquering were productive lands. They were agricultural lands; they were lands that gave enough to the empire to sustain itself, until, of course, the rise of the West came about. And this is where the clash of the West and the world of Islam, in some ways, started, because the West came with a totally different idea of what knowledge or education was about.

The West had undergone its own reformation. It had undergone its own reformation, and out of that reformation was born the notion of giving unto Caesar what is Caesar's, and giving unto Christ what is Christ's. And so the system of governance no longer really need legitimizing through religion. That period was behind the West. But it was something that the Muslim empires and the Muslim rulers still needed.

When the West came, the West came as the ascendant, the colonial power, in many cases. In Indonesia, the Muslims of Indonesia faced the Dutch. In most of the Middle East, in varying ways, it was the French or the British. In Africa, again, it was the French; in some parts even the Germans. And then in the subcontinent of India and what is now Pakistan, it was the British.

And the colonial masters were not really interested in working out a new educational system for any of these nations or societies. What they were interested in was working out a means of collecting revenue and ensuring their own power, finding that there were enough people to be part of their armies, and to be able to sell the goods of the metropolis, finding a market as well as to get the raw materials from these societies and these economies.

That whole situation resulted in two reactions in the Muslim world. There were those who embraced the West, and they embraced the West by leaving the Islamic culture and values, and they thought, well, the steam engine is the way of the future, and we shall not only climb on the steam engine, we shall also learn how to make it; we shall follow those who have made this, and that is the path to prosperity and power. And, of course, these are the people that it was very easy for the West to embrace as well.

The colonial masters found it easy to deal with people who were willing to wear the hat and put on the tie and learn to speak English, or French, or Dutch, or whatever the language might be. And so educational dualism was born, and what we face today are the consequences of this educational dualism, in my view. The dualism being that of the modernized, westernized culture or class that learns whatever else is taught elsewhere in the world, interacts with the rest of the world, and then those who feel totally marginalized by changes in society, and economics, and in politics.

And the biggest political change, of course, is the rise of modern authoritarianism in the Muslim world. Out of the 54 or so countries that have a Muslim majority, only four have elected governments, and out of those four also, at least two can be said to be struggling with authoritarian models versus true pluralistic systems of governance. So given that situation, what has happened in the Muslim world is that the madrassa has become an institution that has gone more and more conservative as time has gone by. In an average madrassa, including the madrassa that I attended, teachers teach from books that were written in the 11th, 12th, 13th centuries. The texts are still the same; nothing has changed. What is needed in the Muslim world is not to introduce to the madrassas modern sciences, as some people suggest. I don't think that will make the difference. What is needed is to create an environment in which the Islamic theological education will embrace modernity itself.

For example, here you can see that Georgetown and Notre Dame are all essentially institutions that originated, or the seeds of which came from the Church. The Islamic world has no parallels, no equals. What it has is very, very conservative institutions and people living in absolute and dire poverty. And the madrassas

themselves are very poor institutions, even despite the fact that in the last 20 years, a lot of money has gone into madrassas.

They are very cheap operations. They are usually one or two rooms adjacent to a mosque, with, basically, matting on the floor on which everybody sits either cross-legged or on their knees, and learns by rote. And what do they learn? What they learn, essentially, are the medieval texts, without any learning of the methods of interpreting the same texts in a more modern context.

In the aftermath of the anti-Soviet war in Afghanistan, a major radicalization of the madrassas also took place. This radicalization was partly a consequence of politics, and partly a consequence of ill-considered decisions by several Muslim governments. What was happening at that time was that Islam was the rallying cry, the battle cry for the Mujahadeen fighting the Soviets, godless communists in Afghanistan.

Now, a lot of refugees came from Afghanistan into Pakistan; they had children; these children needed to be educated. The Jihad movement needed volunteers, and the government of Pakistan, at that time, with the help of the Saudis, and with the blessings of the United States, came up with the idea at that time, why not educate these people in a religious manner, and just setup these madrassas for them?

So madrassas in Pakistan were a few hundred 30 years ago, proliferated, and now they are close to 10,000. And school enrollment, primary school enrollment is 1.9 million, and madrassa enrollment is one million. There's nothing wrong with those one million kids learning theology if they were actually learning theology. What they are learning essentially is one limited interpretation of religion. And here those who teach have a special power over the charges, because the person who enters the madrassa can be anything between five to 15 years old. And the five-year-old, when he comes into the madrassa, starts learning things by rote and is not taught to think.

So the two things that I think are most important is to try and figure out a way of breaking down the dualism of education in the Muslim world. Because until such time as there --

(Tape change.)

(Video presentation by Dr. Malak Zaalouk.)

MS. MURPHY: Our last speaker is Ambassador Frank Wisner. He's vice chairman of External Affairs at American International Group. A career diplomat with the personal rank of career ambassador, the highest grade in the senior foreign service, he has served as U.S. ambassador to India, from 1994 to 1997. He also served as ambassador to Zambia and to the Philippines, and to Egypt at a time that I was there.

Ambassador Wisner was very helpful to me. My only complaint is that he never told me everything he knows. (Laughter)

Ambassador Wisner has served in a number of other positions in the U.S. government -- he's got a long resume -- including undersecretary of Defense for Policy, undersecretary of State for International Security Affairs, and deputy executive secretary of the Department of State.

Ambassador Wisner.

AMBASSADOR FRANK WISNER: Caryle, that was a superb introduction. I must say, I almost feel like getting even. I had the enormous pleasure, it's been mentioned earlier today, to read earlier this summer, Caryle's absolutely extraordinary book, "Passion for Islam." And when I finished, put it down, I reflected for a few minutes, and if I didn't properly express myself then, Caryle, I will now. And that is that I wish, as ambassador to Cairo, I had known what you learned as an extremely astute observer of modern Arab and Egyptian society, as an observer of the early days of the movement that became so enormously dangerous for this country and for the West in general.

I strongly recommend it to all of you. I couldn't put it down, in fact, and read it, virtually, cover to cover. Let me, though, turn to the themes that you've been discussing today. It's a huge pleasure to be included in your deliberations. I'm very pleased as well to be joined by several people who know a great deal more about the subjects at hand, and the subject I will address, than I do.

Bill Hoffman, who's sitting about midway -- Bill, if you would put your hand up -- of the American University of Beirut; Cynthia Anthony on the other side, the American University in Cairo, both extraordinary institutions on whose boards of trustees I have the privilege of serving. And then, as I look around the room, I'm really humbled by a number of faces of old friends. One of the most accomplished officers in the development efforts the United States has taken in Arab society, George LaDotto (sp). George, it is a real pleasure to see you again and know you're working in the field of education.

Ladies and gentlemen, I suspect that I ask myself, or asked myself, very much the same question that many of you did, and certainly, most Americans, after September 11th, and that was: how did this happen to us? What transpired in lands far away from ours that engendered so much hatred that life would be taken in the manner that it was taken on that fateful day?

To those of us gathered in this room who followed conditions in the Arab world and in the Muslim world, we have seen, over the years, a growing gulf in perceptions between the world, the Islamic world and the West, and indeed, Asia. We've seen standards change, separate tracks occur. When I graduated from university in the early 1960s, just after Europe, in levels of overall performance, societal and economic

performance, stood the Arab world. By this year it was barely possible to say that the Arab world had a nose ahead of the continent of Africa, and that even Eastern Europe had bypassed the Arab nations of the Middle East in overall performance of society and economics.

We'd seen that, and we knew that it had to, at some level, engender deep problems, and indeed, bitterness, but bitterness truly so deep that it would lead to the use of violence, the taking of innocent life, the suicidal violence, the negation of the very values of life and faith that are incarnate in the canons of Islam? I think all of us, in fairness, have to look and think again, what's caused this terrible divide? And I guess each one of us, when we think about it, realize that there isn't just one cause, one easy answer, one button to push, and that even if you did have such a button, it wouldn't apply to every part of the Muslim world; that the nuances, the variations, the differences in style, culture, outlook are so significant from Morocco to Indonesia, Southern Philippines is to -- virtually, but not entirely, wipeout general definitions.

This afternoon, with your permission, I want, however, to focus on one piece of that huge mosaic of the Muslim world, and that is the Arab Middle East. I do so because, frankly, as someone who's cared about this nation's security and our foreign policies, I have to face the fact that that's where the greatest threat to America's well being, our future, the safety and well being of our children occur. It was, after all, not Afghans or Pakistanis who flew airplanes on September 11th, but rather those who came from the Middle East.

And tragically, for a nation that I have loved and a civilization that I've admired so much as Egypt, to have found that the wellsprings of ideology for radicalism, as well as the organizing talent that made al Qaeda possible, came from Egypt, and money, and manpower in Saudi Arabia, and others who found their way to a common cause from the Levant, from the Gulf, in Yemeni societies. All these nations contributed to a very sad turn of events.

The causes are not easily defined, as I suggested. Perhaps one way of looking at them, I kind of divide matters into three rough segments. The first is the question of performance of societies. How do they actually perform? How do they achieve what their citizens want? What kind of hope is there for the future? And as I suggested earlier, the nations of the Arab Middle East have performed less and less well with each generation, not in our eyes, but in the eyes of those who live there. And with that relative sense of loss of momentum and success, has risen a deep view that the area has been victimized.

The second reason that I would cite as a general cause is a question of governance. How are the lands and neighborhood of the Arab Middle East actually governed? And if you stand on the streets of a Cairo, or a Riyadh, or a Damascus today and look around you, there are just a great many questions to be asked about the openness of government, about the ability of a citizen to seek redress before judicial establishments about the possibilities of finding expression in the press, political participation, human

rights, all areas in which no one in that great region can feel fully comfortable and think, for a second about issues of corruption, and how the destructive poison of corruption has infected, struck virtually every society, and in a stronger manner, alienating citizens, creating and enhancing despair.

But third, I'm also prepared to admit, because I believe it's fundamental and true that the causes for this situation that we're all facing lie in the terrible and persistent crisis that now is narrowly focused on Israel and Palestine. The passions engendered, notably in the recent intifada, have excited opinion at every end of the Muslim world, but in the last years have had a direct effect on the emergence of radicalism.

And so, I ask all of you, as I try to do, to take a step back and think about these causes, and reflect on what American self-interest dictates. For at a minimum, it's a guide to where one makes one's stand, what kind of involvement you're going to have. And as I think about what lies before us, I have to agree with my fellow speakers, and I suspect all of you gathered here today, that one place to look at society and how it fits with our world, and how we will get on in the future, starts with the subject of education.

Each of the speakers so far today has mentioned the Arab Human Development Report, and I won't choose to go over its major conclusions, for you've heard them repeated on several occasions. What I would conclude from it is that we are faced with not a total problem, but a sharply defined subset of a problem of education, and that that problem, while severe, can also be looked at as a political opportunity, provided that the United States wants to be involved, and thinks through the right way to involve itself.

We've had a shifting vision over the years of just what constituted the right form of American involvement. We've gone from advanced education to primary education, to gender equality; we've been kind of educational materials and teacher training. Without being an expert in any of those fields, I've seen them all come and pass me by. And, obviously, there's truth in every one of them.

But I would like to make a case to you today that we have lost sight, in political terms, of one particularly key variable, and that is the role of higher education, of university education. And that in forfeiting an opportunity to associate the United States much more deeply, particularly in the Middle East, but more broadly, in the Muslim world, we've forfeited an opportunity, at a critical stage, to shape minds, to influence the ways minds are shaped, to develop common values and culture, to provide the framework for the development of future leaders, and to mitigate the feelings of humiliation and justice that have produced such a surge of anti-American sentiment and, indeed, terrorism. For I believe that the university is the place where, is the social institution that will produce the base of knowledge in a society, and the new knowledge that the Arab world requires in order to remain competitive. So, let me repeat myself: universities are vital, for that's where the next generation of Arab leaders will be prepared and trained.

For a number of years, notably from the 1950s through the 1970s, the United States took higher education in the Middle East very seriously. We offered extensive

programs of scholarships for young Arabs from the region, but for Africans, South Asians, to come and study in this country, but study in the regional universities of the Middle East, particularly as I was a student at that time, and found fellows on the campus at the American University of Beirut.

Before this terrific commitment on behalf of the United States ended some 20 years ago, it made profound contributions to the region's development, and at the same time, a great many friends and those of deeper understanding were made for the United States. And as I've remarked frequently, going around on the two houses of Congress in recent months, that not a single terrorist graduated from the halls of American regional universities in the Middle East.

In response to September 11, I'm happy to say that there's been renewed interest in bringing Arab and Muslim students to this country to study. And I would share with all of you the notion this is really an excellent idea. And additional resources need to be committed, voted by the Congress, committed to the cause, not just for bringing students from the Muslim and Arab worlds to this country, but for exchanges in both directions. Americans need to learn about the Middle East, Muslim culture, just as much as we want those of those great areas to learn about the United States and our ideals and freedom.

I don't believe it's the whole solution, but like anything else, it's one piece of it. And I believe very deeply that Arab students will never -- most Arab students, however, will never be able to come -- all of them to come to the United States. And therefore, simply looking at a question of Arab education and American universities in this country is not the whole answer. I also feel that I can underscore with pride to you the role that, in the future as in the past, the three great American universities of the Middle East can play: AUB, American University in Beirut, AUC, American University in Cairo, and LAU, the Lebanese American University. These are old institutions, 140-year-old tradition of offering American style education in Arab lands.

They've combined over the years to produce, from two cultures, to produce broadminded leaders who want to solve their disagreements with the United States through dialogue and not through violence. While, obviously, none of these universities, nor in combination with universities of this country, can educate the entire Arab world, what they can do is produce a core cadre of leaders who have that effect of transforming basic thinking about Arab society and education. I reflect simply on Cairo to say to you with great confidence and, indeed, pride, that the university of choice, where the smartest of young Egyptians are headed today is the American University in Cairo. And from her doors will future Egyptian leaders be certain to emerge.

But let me repeat, the Middle East needs not only students who are educated in this country and in the region, they also need students who are educated in American liberal arts traditions, but furthermore, educated in the institutional structures and the value systems that support the propagation of critical thinking and intelligence. American universities in the Middle East are, to my way of thinking, credible models, not

only of American pedagogy, they are also models of transparency, and pluralism, and of the democratic process.

And because they operate in the Middle East, in a local milieu, they demonstrate that their values are culturally compatible with those of the region they live in. To put that argument slightly differently, they put pay to the argument that there is a clash of civilizations that we cannot overcome, that, in fact, on a very practical level, students who study in American universities, teachers who prepare to teach from them can bring two worlds together, two worlds together for the betterment of both.

Now, students, furthermore, who are educated in the American universities of the region have a very strong habit of staying in the region -- not all, and not all would you wish to have stay. Many come to this country to pursue higher levels of education, some stay to serve in the highest ranks of the White House -- I think of AUB's distinguished graduate, Zalmay Halizad (sp), who, from Afghanistan through AUB, came to this country and today advises the president and National Security Council on what's happening in Afghanistan and, more broadly, the Middle East.

By contrast, if you just look at Arabs who come to study in the United States, fully a third do not go home. And since our principle goal, I'd like to suggest to all of us, has got to be the development of leadership for those who will stay home and solve problems in the region itself, sympathetic to American values, it's in our interest that the universities prosper and keep their young men and women at home. Furthermore, I would like to argue that the record of these three American universities, in one notable feature, has been truly outstanding. It's a social principle for Americans that we have made headway in recent decades in gender equality. This is a prime example of a norm that, experienced on one's home turf, can become credible abroad.

In fact, many young Muslim women will never be given a chance to experience it through education by an inability to come to the United States, for parents in the Muslim world tend to be conservative, and not willing to have their daughters go unescorted abroad, including to the United States, but at the same time, frequently welcome the opportunity for them to serve in American universities in Beirut and Cairo. I'm pleased to say that the student enrollment, undergraduate enrollment in both the American University in Cairo and in Beirut, are over 50 percent women. And think about that for a moment, for the huge effect in the years ahead that this will have on society.

And the quality of women's education is truly outstanding. Look, as you will, back for a moment at the Arab Human Development Report of 2000, and by your admission today, the extraordinary statement that it was written brilliantly without jargon, and written by an alumna of the American University of Beirut, Rema Halaf-Hunadi (sp).

There's also a very pragmatic advantage to giving Arabs an American style education in the Middle East: it's certainly cheaper. An American university education in Beirut or Cairo costs about a third what it costs at home, and there's no complexity of obtaining a visa attached to it.

Ladies and gentlemen, let me close, then, with a strong argument, that it is time for the United States to invest in education again in the Middle East, to choose to make that investment with a very sharp eye to higher education and to reserving a special portion of that higher educational investment in the American universities in the Arab world, and to look forward to the production of graduates who are open-minded, adaptable, thoughtful, critical not only of their own region but of us, and able to adapt the best of our several societies' values in moving their nations ahead, and improving the outlook and prospects of the entire region.

Thanks very much.

MS. MURPHY: Thank you, Ambassador.

I'm now going to open the floor for questions. I'd like to tell you, first of all, that Husain Haqqani has to leave at 4:45 to catch a plane, so I'm going to take questions addressed to him first. And when you come to the microphone, before you ask a question, would you please identify yourself and tell us what organization you're with.

Q: Yes, I'm Rosemary O'Neil. I'm with the Department of State's Office of International Women's Issues.

MS. MURPHY: Is this for Mr. Haqqani?

Q: Yes, it is. About a year ago, Jeffrey Sperling of the Brookings Institution had a discussion on education in the developing world -- I think they were focusing on Afghanistan or Pakistan. I don't know if it was his -- it was one of the panelist's descriptions of Pakistan was -- education there was really quite a horror story.

He said that education really was divided into three sectors: one, the schools that were funded by international organizations, which taught with the modernizers. This was a very small element of the population that was educated at these schools. Secondly, were the madrassas, in which so much was left to be desired in what their curriculum was, and that what the students were being taught was a very, very fundamentalist form of Islamic thought. And thirdly, the government schools; and there, the description was truly quite awful. He talked about bribery of the teachers to get positions in the schools, the bribery of students to get good grades, the terrible failure, you know, to educate the students at any decent level whatsoever, poor physical structures -- it just goes on and on and on.

I'm wondering if that is also true in other countries, or is that particular -- is that description particular just of Pakistan? And if so, I mean, how do you get problems that are so deeply rooted?

MR. HAQQANI: For one thing, I think that the public school system in most Muslim countries is in a poor state. I mean, there are certain exceptions -- Malaysia, Iraq,

although we don't know, by the time President Bush is through with Iraq, what the status of the public schools there will be. But there aren't that many Muslim countries that have a good public school system.

And if I may rephrase my own recommendation, my view is that until such time as these parallel and dual educational systems are there, I don't think the problem of education in the Muslim world will be truly addressed. Yes, you can have options of good schools and private schools, and excellence-building schools, but you still have to have a functioning, basic public education system, where people can send their kids at relatively low cost so that everybody gets an education. And I don't think that that exists, and that is a major problem.

As far as getting to the roots of things, well, in the case of Pakistan, it's very simple. Twenty-nine percent of Pakistan's federal budget goes to the military; 45 percent goes to debt servicing; 4 percent goes for education. Now, for a nation of 140 million with a 2.9 percent growth rate of population, basically, there just isn't enough money being allocated to education.

And so, what Pakistan needs to do, and what the world can do to help Pakistan, is to increase the amount of money that is available for education, and then truly make it available to education, rather than diverting that to military purposes. And the reason why I say that is because, for example, the last time Pakistan got a big grant for building a university, we ended up building what is known as the National University of Science and Technology, which is run by the military.

So, I think that those are the issues, whether, for example, assistance which is given is directed toward education, and, (b), if it is made sure that it is directed purely towards education. And secondly, I think that the Muslim world and the educational leaders within the Muslim world need to be encouraged toward building a new educational system that combines tradition with modernity.

Because the real crisis of the Muslim world is, in my view, the theological rethinking cannot be done by the theologically untrained. So, you have a situation like Turkey, where Kemal Ataturk comes and says, I don't like the mullahs; I don't like these religious people, but they're not going to stop existing because people will still believe, and as long as people believe, they will have some religion. And then what will happen is that those people will go down into the basement.

So the solution to the Muslim world is not enforced secularism, which is anti-religion, but a more American-like attitude where you have a separation between church and state, so to speak, but at the same time, a process of theological rethinking, and where just as the rabbis and the clergymen in the United States are very respected people, respected members of society, the people who are actually prayer leaders in the Muslim world, people who are actually the imams and the mullahs are actually respected members of society, rather than having a parallel society.

And that is what needs to be addressed. So, those are the two points that I think come to my mind in response.

MS. MURPHY: Okay, is there another question for Mr. Haqqani, specifically?

Okay, I'd like to ask you one. You said the Muslim world has to recognize, and be encouraged to recognize, freedom in its educational system. How does the West do that?

MR. HAQQANI: For one thing -- for example, Ambassador Wisner was talking about the American universities -- I think that perhaps educational institutions of Islamic learning that actually focus on the values of freedom and political pluralism rather than purely on a historic definition of Islamic theology, those would be a great idea because if those societies have closed their own processes of thinking or have divided themselves, and that is becoming a political problem around the world, then it is a legitimate concern. It is, in fact, something that the U.S. needs to and the West needs to get involved with.

MS. MURPHY: Here or there? Have those schools here or there?

MR. HAQQANI: Either way, either way. I'm sure the INS would have some reservations on giving too many visas to people with long beards coming and studying Islamic theology here. (Laughter.) But what I mean is pay attention to the subject, and I'm sure solutions can come, whether it is from within the Muslim -- for example, there are only two or three Islamic universities right now, universities with an Islamic charter of theological analysis and theological research, et cetera, and they're all extremely conservative.

Now, part of the problem, of course, is our own. Very few Muslims with a modern bent of mind bother to apply their modern bent of mind to theology. I mean, we actually run away from -- most modernizers or westernizers run away from theology because they say, enough, forget it, you know. So, that actually legitimizes the ultra-Islamist or radical criticism of the modernizers, because then the modernizers are described as atheists or non-believers. So, what needs to be done is to encourage the process of theological rethinking each ijihad, as Uzma mentioned, which, by the way, will be a perfect way of dealing with the problem of jihad, because both words come from the same root. Ijihad, of course, means the application of the mind and reasoning.

And just as a parting comment, there is a long history of the rational approach to religion contending with the world of rote approach to religion. But what has happened in the post-modern, and in the modern phenomenon, is that what has happened is that both have got frozen. The conservatives actually have got impetus from the fact that people who want religion turn to them because there is no modern alternative available.

And the modernists have basically taken themselves totally out of the ambit of discussing theology and religion, which is a serious problem. And you do have a model in your own cultures and your own societies of institutions which started out as religious

schools and evolved into bigger institutions. I think what you need to do is help us develop similar institutions.

Because when we first came into contact with the Western world, the West realized we didn't know several things that were necessary for your commerce and your business, so you taught us those and enabled that whole process to move forward. I think one of the lessons from 9-11 should be that maybe you really do have a stake in going beyond the jacket-and-tie Westernizers in the Muslim world, even though I'm wearing one myself today, and reach out to those with the turbans and the lamas.

MS. MURPHY: Well, thank you very much, Dr. Haqqani, and we thank you for your participation.

Just as a footnote to what Mr. Haqqani was saying: I know in Jordan, a few years ago, the government there did start a new Islamic university that was supposed to promote a modern version of Islam. I don't know what happened to that, whether it ever got off the ground or how it's doing. If there's anyone here who does know, would you like to share this knowledge with us?

You know? Okay, well, just fill us in.

Q: I was UNICEF's regional advisor for education for seven years, based in Jordan for the Middle East as a whole -- and it was good to see Malak Zaalouk talking, because Malak and I worked very hard in Egypt on girls' education.

Jordan actually opened 14 new universities in the last 10 years. Not all 14 are viable, and one of them was an Islamic university. I'm not sure what the status of that university is, but I suspect, like all the new universities in Jordan, it's having enormous problems staying open.

MS. MURPHY: For financial reasons?

Q: Yeah, there aren't enough students and there isn't enough money, because they've all been run on private lines. When I left Jordan, which was December 2000, quite a number of the newer universities were struggling, and their students were largely coming from Indonesia and other parts of the Muslim world, and they were coming to learn Islamic studies in Arabic, and not very much else. So that particular university might be succeeding because it's probably pulling in those students.

The other universities that were rather westernized in their curricula probably have had enormous problems surviving. Technological universities that were teaching computer sciences, and a variety of other things, I think, were having problems.

MS. MURPHY: So the government was not subsidizing them at all.

Q: The government can't subsidize anything; it can barely afford its own educational system. It's being subsidized by aid, by technical assistance from outside. The Jordanian government has enormous problems running its own system.

MS. MURPHY: Thank you very much. I'd like to take more questions.

Yes.

Q: This is actually just a follow-up on (off mike). In Malaysia --

MS. MURPHY: Do you know how it's doing?

Q: I don't. (Off mike.)

MS. MURPHY: Thank you.

DR. ANZAR: I'm going to add something to that. The government of Malaysia has asked the Islamic Supreme Council of the USA, which is a Sufi Islamic -- very moderate, to come and work with them on revision of their curriculum to make it more pluralistic and inclusive.

MS. MURPHY: Yes, ma'am.

Q: I'm Jennifer Bremer with the Keenan Institute. I think I have a question for Ambassador Wisner. You spoke very eloquently about the American University in Cairo, and other American universities. And I'm sure that you're -- since I know you were on the board at AUC, I'm sure you're familiar that that school was started with tremendous support from the American private sector, including John D. Rockefeller Jr., who was very much personally involved in establishing that.

And, of course, you're with AIG, which is a company with a lot of presence. And I was struck by the fact that nobody talked about the role of the business sector or the private sector, either the local private sector or the U.S. private sector, in helping to bridge this tremendous resource gap at any level. And I wondered if you or one of the other panelists had a comment on how that could be brought, how that could be changed?

AMBASSADOR WISNER: Well, I think the starting point is to face reality, because it's stark. The habit of private philanthropy in the Arab world is virtually non-existent -- very little giving to major cultural institutions like universities, libraries, the normal channels of eleemosynary activity that you would discover in this country, and are beginning to discover more in Europe.

There's an old expression the Egyptians use: giving begins at home, not even in the mosque. Where there is generosity, it's shared very much in the neighborhood. And I think it's going to be a long time. There are individuals who have been extraordinarily generous, particularly individuals in the Gulf. But that sense, that commitment, that

regular understanding of giving money for any institution, including an educational institution, has not existed. And then you come to the question of the United States. You know, despite many popular myths that the Middle East is a playground of American business, the opposite is, in fact, true. The oil sector is the only thing you can begin to speak of, and that's been stagnant, in fact, retreated, over the past 40 years.

The Middle East went in a state dominated economic direction, and the presence of American companies, except very lightly in the consumer goods sector, is really the pattern. My own company, the American International Group and Insurance Group, we are one of the very, very few, I might even argue the only American insurance company with any presence at all anywhere in the Middle East. And our businesses are de minimus, very small, at least terribly underinsured. The sector's been closed by government. So that the basis of external philanthropy, the self-interest of corporations in society simply isn't there, it doesn't exist. And what you have to do is appeal to external foundation support, which are obviously hard pressed for many reasons, including downturns in the stock market.

But I can tell you, for someone who has to try to raise money for even American universities in the region in this country, it's tough; it's a hard sell. Should I give it to my own alma mater or to a university that's thousands of miles away? I genuinely think that the wrong door to knock on in times of crisis is the door of private philanthropy, that this genuinely, out of national self interest, the United States government ought to take a strong position and reconsider the levels of funding, to seek funding from Congress, to make and defend American --

As much as I have argued today about higher education, I'm perfectly prepared to admit that you need a broad educational strategy, and it's in the national interest we turn to it, and do --

(TAPE CHANGE.)

-- They played a role in the past; they can play it again. Scholarship assistance of some endowments will help. But I do not believe the future lies in the proliferation of American universities around the world. But I do believe there is a much larger role for us to play in investing in higher education, and in having those investments tied, also, with some thoughtful work on what values systems and organizational norms will be established and would be appropriate.

I've also discovered in recent years -- they are terrifically exciting; I've observed it in India -- Uzma, perhaps you've seen it in Pakistan as well -- where there are linkages between our older universities in the Muslim world and American universities in this country, where skill sets are exchanged, students and teacher, faculty exchanges take place, and can even go so far as to a dream of joint degrees.

There are many forms of collaboration, but the argument I would, in core, make is that this is a time to look back, if you're worried, as I am, about our interests and our political footprint in the Middle East, and look at higher education, from whence the ideas come and the leaders will be formed.

MS. MURPHY: I think we have time for one more question.

Yes, sir.

Q: I'm Frank Method (sp). I'm doing two things relevant to this. One is a study of Islamic schooling systems I'm working on at the World Bank, and another with Bill Hoffman and some others, trying to get some variant of an American university established in Afghanistan, which is moving forth. So, first, I strongly agree with what you said about the American university model. I wish I had taped your remarks because I think that the reasoning that you put out there I think is dead on.

The question or comment -- I'll try to turn it into a question -- goes, I think, to Dr. Anzar's comment about the percentages being invested toward the FA objectives, and I think some of the other comments by Dr. Haqqani that some may have to send money, and your comment that private philanthropy just isn't going to get it. I think private philanthropy is not going to get it, and external funding is not going to get it.

Structurally, we need to look at some way of transforming the demand for education, and other social services, into the political will to take on some of the fiscal restructuring, particularly on land holding matters, at least like Afghanistan. If you can't deal with the feudal land holding, you're never going to get the fiscal base for any kind of mass social services at all.

One of the countries in the region that has probably gone further than any in decentralizing political power and mobilizing resources and reallocating resources is Iran. For myopic political reasons, I think this country doesn't pay any attention to Iran; it doesn't draw any lessons from them. Let me just try to put it as a question. Does this resonate at all in terms of the need to transform not just the education advocacy for better education, but education advocacy as part of the political restructuring of these countries to be more broadly based, more decentralized, and more willing to deal with some of the structural impediments to social change?

DR. ANZAR: Yes, I think that was one of my points, that government commitment is absolutely necessary if we want to see a sustainable educational reforms. In Iran, when Khomeini came into power, yes, we heard many bad things, that he was cutting (inaudible), and all that. He mobilized the clergy, the religious people, and he turned every mosque into a community center where girls and boys used to come to train lessons.

And education was high on his agenda. And today, we see 94 percent net enrollment rate for girls in the primary schools in Iran, which is, I mean, the highest in

any Muslim country. So I think the political will is absolutely necessary, and it can be done even without funding from abroad. If the government has the commitment, it can be done.

MS. MURPHY: Well, I think we have to close now, and I would like to thank all of you for coming. I'd like to thank the panelists for their perceptive remarks, and I wish you good luck in your very important work.

(END OF EVENT.)