

# **FOLLOW THE MONEY**

Examining Undocumented Foreign Funding of American Universities: Implications for Education and Rising Antisemitism

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Based on the findings submitted to the DEPARTMENT OF JUSTICE SUMMIT ON COMBATTING ANTISEMITISM WASHINGTION DC
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### **FOREWORD**

The Institute for the Study of Global Antisemitism and Policy (ISGAP) commends the US Department of Education for its response to the research and data provided by ISGAP regarding the unreported foreign funding of certain US universities, including Harvard and Yale.

For more than seven years, ISGAP's "Follow the Money" research project has assessed the foreign funding of leading US universities by Middle Eastern autocratic regimes, foundations, and affiliated corporations. In addition, it has examined funding provided by US-based corporations and foundations with connections to anti-democratic forces and ideologies in the Middle East. As reported by major media outlets, including the *New York Times*, the *Wall Street Journal*, and BBC News, it appears that Harvard and Yale have not identified or reported donations and contracts with foreign governments in the amount of at least \$375 million. This is also borne out by ISGAP's research.

ISGAP founder Dr. Charles Asher Small originally presented the research team's findings at an antisemitism summit hosted by the US Department of Justice on July 15, 2019, which was attended by Attorney General William P. Barr, Secretary of Education Betsy DeVos, Special Envoy to Monitor and Combat Anti-Semitism Elan Carr, Secretary of the Treasury Steven T. Mnuchin, and FBI Director Christopher A. Wray.

A video of Dr. Small's remarks can be found at: https://www.c-span.org/video/?c4807852/charles-isgap-summit-talk

Several major news organizations have reported on these groundbreaking revelations, including:

"Harvard and Yale Ensnared in Education Dept. Crackdown on Foreign Funding" Erica L. Green and Ellen Barry, *New York Times* 

"Education Department Investigating Harvard, Yale over Foreign Funding" Kate O'Keeffe, Wall Street Journal

"US Investigates Harvard and Yale over Foreign Funding" BBC News

## **EXECUTIVE SUMMARY**

Autocratic Middle Eastern regimes, organizations, foundations, and affiliated private corporations have funneled billions of dollars of unreported funding to American universities in order to encourage the demonization of Israel and the Jewish people within the curriculum and on campus, research by ISGAP has found.

This finding is based on ISGAP's seven-year "Follow the Money" research project, which was led by Dr. Charles Asher Small, with assistance from Dr. Glen Feder, an expert on the Muslim Brotherhood in the United States, and investigative accountant Michael Bass. ISGAP's research reveals that federal reporting requirements and procedures have been inadequate in keeping track

of academic funding coming in from abroad. This includes more than \$3 billion gifted by Qatar and the Gulf States that were not reported by universities to the IRS or the Department of Education. The bulk of Middle Eastern donations emanates from Qatari donors (75 percent), while the Qatar Foundation accounts for virtually all of the donations from Qatar. These funds have a significant impact on attitudes, antisemitic culture, and BDS activities. The "Follow the Money" report also examined US-based corporations and foundations with connections to anti-democratic and antisemitic forces in the Middle East that facilitate unreported funding to universities.

Our research found a direct correlation between the funding of universities by Qatar and the Gulf States and the active presence at those universities of groups such as Students for Justice in Palestine (SJP), which foster an antisemitic and aggressive atmosphere on campus.

## **ABOUT ISGAP**

ISGAP was founded in 2004 as an interdisciplinary research center dedicated to the study of contemporary antisemitism, as well as other forms of prejudice. It is committed to promoting an international perspective and establishing an international presence, both essential in a globalizing world, in order to create a vibrant space, within the classrooms of universities across the world, where high-caliber scholarship, discussion, and debate can flourish.

# FOLLOW THE MONEY

Antisemitism has been on the rise at North American universities in recent years. As a result of traditional forms of anti-Jewish sentiment on the political right and more modern forms of anti-Zionist activity promoted by progressives on the left, who seek to delegitimize the Jewish people's right to self-determination by advocating a wide-ranging boycott of the State of Israel (BDS), Jewish students have been made to feel increasingly unwelcome at institutions of higher learning.

Earlier this summer, officials at the US Department of Education started to investigate Georgetown University, Texas A&M, Cornell, Yale, Harvard, Rutgers, and other universities over unreported funding from the oil-rich Gulf kingdom of Qatar. Much of the known Qatari funding has gone to Texas A&M, Georgetown, Cornell, Carnegie Mellon, Northwestern and Virginia Commonwealth, all of which maintain campuses subsidized by the royal family-linked Oatar Foundation.

This is consistent with the recent findings of ISGAP founder Dr. Charles Asher Small, ISGAP Senior Research Fellow Dr. Glen Feder, and investigative accountant Michael Bass, who painstakingly pieced together a comprehensive picture of Middle Eastern funding of American universities in the framework of ISGAP's "Follow the Money" project.<sup>1</sup>

Based on its research, ISGAP found that a number of autocratic Middle Eastern regimes funneled billions of dollars of unreported funding to US universities in order to promote an atmosphere that is sympathetic to their efforts to demonize Israel on campus. According to these findings, some of which were presented at a summit on contemporary antisemitism hosted by the

Department of Justice in July 2019, inadequate federal oversight procedures have failed to keep track of funding coming in from abroad and more than \$3 billion gifted by Qatar and the Gulf States were never reported by universities to the IRS or Department of Education.

Between 1986 and 2018, Middle East Muslim countries donated a total of \$6,566,462,768 to US universities, but only \$3,592,760,609 was reported to the federal government. Out of \$4,955,969,671 donated by Qatar to various institutions, only \$1,982,267,512 was properly reported.<sup>2</sup>

DONOR	AMOUNT REPORTED	AMOUNT UNREPORTED	TOTAL
Qatar	1,982,267,512	2,973,702,159	4,955,969,671
Saudi Arabia	905,612,713		905,612,713
UAE	402,232,703		402,232,703
Other Middle Eastern Countries	302,647,681		302,647,681
TOTAL	3,592,760,609	2,973,702,159	6,566,462,768

When presenting this information at the Department of Justice in July 2019, Charles Asher Small stated:

"Given our lack of resources, if we can find approximately three billion dollars that is unaccounted for, imagine what is really going on. ... These ideologies are infiltrating into universities. Funds are coming from the campuses in Doha into the United States proper. This is an extraordinary finding. We believe that [the] money that this research project discovered is the tip of an iceberg. We call for a proper investigation of American universities and the funders of hate that are permeating the most precious institution in our democracy: our education system."

ISGAP's findings have been borne out by statements by DOE officials. Testifying before Congress earlier this year, Deputy Secretary of Education Mitchell Zais stated:

"All degree-granting domestic institutions of higher education are covered under section 117 [of the Higher Education Act]. There are approximately 3,700 such eligible institutions in the United States but, based on recent reports the Department has received, fewer than three percent (3 percent) reported receiving foreign gifts or contracts."

### **CONTEXT**

Multiple experts have pointed out that "Gulf money, in recent years, has come to distort Washington's conversations about the Middle East." Gulf funding of universities and thinktanks, especially when such institutions are concerned about future revenue streams, can act as a hedge against criticism of the governments that provide the funding. Many contend that academic institutions have become averse to antagonizing Gulf states—by criticizing them or adopting policy positions that those states consider red lines—for fear of upsetting current donors and/or alienating future ones. Even the money itself has become a taboo subject.

However, there is more to such funding than cultivating political influence. ISGAP's research has found a correlation between the funding of universities by Qatar and the Gulf States and the presence of groups such as Students for Justice in Palestine (SJP), which foster an antisemitic and aggressive atmosphere on campus.

SJP, which is one of the main organizers of the annual Israel Apartheid Week on college campuses across the country, has been described by the Anti-Defamation League (ADL) as an organization whose members "regularly demonize Jewish students who identify as Zionists or proud supporters of the State of Israel" and insist that "one cannot be a good Jew while still being a Zionist."

With the bulk of all Middle Eastern donations emanating from Qatari donors, and the Qatar Foundation accounting for virtually all of the donations from Qatar, these funds have a significant impact on attitudes, antisemitic culture, and BDS activities. While a direct causal link has yet to be established, the correlation is too significant to ignore, especially given the horrendous human rights records and state-sponsored extremism and antisemitism of the countries involved. Research indicates that other countries, including Iran, also engage in such funding activities.

## **BEHIND THE FUNDING**

It is important to understand the players behind the funding and their ideology. Qatar has long been an important source of funds for the Palestinian terror organization Hamas and has forged relationships with Islamist groups ranging from the Muslim Brotherhood to the Taliban.<sup>6</sup> At the same time, it maintains a western enclave known as Education City on the outskirts of its capital, Doha, which is home to a number of satellite campuses of prominent American universities, such as Georgetown, Northwestern, and Cornell.

According to ISGAP's research, the universities that maintain a presence in Education City have failed to disclose the full amount of the funding they have received from the Qataris. We estimate that of a total amount of \$4,879,315,375 only \$1,905,613,216 have been reported.

Education City is funded by the Qatar Foundation, which maintains close ties to the Muslim Brotherhood and is linked directly to theologian Yusuf al-Qaradawi. Al-Qaradawi holds a prominent position in Education City and his ideology emanates throughout—from the Al-Qaradawi Centre for Research and Modern Thought to the Sheikh Al-Qaradawi Scholarship and

other similar programs. Al-Qaradawi is an extremist who has "called for the destruction of America and for the annihilation of the Jews." He also calls on all "true believers" to finish the work of Hitler, i.e. to carry out a genocide against the Jewish people.

University	Amounts Reported to DOE (USD)	Amounts Unreported to DOE (USD)	TOTAL ESTIMATE
Georgetown	555,443,119	138,597,917	694,041,036
Northwestern	453,439,494	(12,342,876)	441,096,618
Cornell	63,925,824	1,398,144,660	1,462,070,484
Carnegie Mellon	517,958,404	122,410,305	640,368,709
Texas A&M	274,185,256	739,424,927	1,013,610,183
Virginia Commonwealth	40,661,119	587,467,226	628,128,345
TOTAL	1,905,613,216	2,973,702,159	4,879,315,375

According to Charles Asher Small and Glen Feder, al-Qaradawi is one of the most influential Sunni preachers globally and has for many decades disseminated extremist ideas that form a key part of the ideological foundations of Salafi jihadism—the proper name for the doctrine of violent Islamist militancy practiced by ISIS, Al-Qaeda, and similar groups. In fact, al-Qaradawi is able to preach these ideas to an estimated global audience of 40-60 million through his regular perch on Qatar's state-controlled al-Jazeera satellite channel.

Universities in the United States must fully disclose the extent of the funding they have accepted, in particular from foreign sources, whether directly or indirectly. It is especially concerning that some of this funding has been provided by racist, extremist, and antisemitic groups whose basic ideology contradicts the very values that academic institutions are meant to represent and protect. Given the rise of antisemitism within academia and on many university campuses, a comprehensive investigation into these matters is urgently required.

## **Notes**

- The project was launched, in part, as a response to the existence of networks of outside influence at Yale University that impacted on programming relating to the study of antisemitism. In the course of its research, ISGAP ascertained that more than \$20 million of funding to Yale University was not reported to the Department of Education or the IRS.
- Data extracted from consolidated DOE reports issued between May 5, 2013 and March 7, 2019, covering all reporting by colleges to the DOE from 1998 to December 31, 2018.
- Statement of General Mitchell M. "Mick" Zais, Deputy Secretary, US Department of Education, Senate Committee on Homeland Security and Governmental Affairs, Permanent Subcommittee on Investigations, February 28, 2019, https://www.hsgac.senate.gov/imo/media/doc/2019-02-28%20Zais%20Testimony%20-%20PSI.pdf.
- <sup>4</sup> Max Fisher, "How Saudi Arabia Captured Washington," *Vox*, March 21, 2016.
- <sup>5</sup> "Students for Justice in Palestine (SJP)," ADL, https://www.adl.org/resources/backgrounders/students-for-justice-in-palestine-sjp.
- David B. Roberts, "Reflecting on Qatar's 'Islamist' Soft Power," Policy Brief, April 2019, https://www.brookings.edu/wp-content/uploads/2019/04/FP 20190408 qatar roberts.pdf.
- Steven Salinsky, "Sheikh Yousef Al-Qaradawi and Qatar's Education City Hosting American University Branches: Carnegie Mellon, Georgetown, Northwestern, Texas A&M, Virginia Commonwealth, Cornell & Others," Middle East Media Research Institute (MEMRI), February 18, 2010, https://www.memri.org/image/IA\_Qaradawi.pdf.
- This report was prepared by Charles Asher Small in his personal capacity. The opinions expressed in this report are the author's own and do not reflect the view of ISGAP, the Institute for the Study of Global Antisemitism and Policy.