

Founders Day Ceremony 2019
A House of Many Mansions
President Fadlo R. Khuri
December 2, 2019

Trustees, Provost, Deans, faculty, students, staff, alumni, and friends. Welcome, and thank you for your presence on this, the 153rd founders day of the American University of Beirut.

Traditionally, we start Founders Day with a procession of the academic faculty. We also have an annual student essay contest, which we may endeavor to complete during the second semester. But these are anything but normal times. To describe Lebanon as a place of chronic instability is an understatement. For centuries this narrow mountainous region has offered a home and refuge for heterodox religious communities whose divisions cut across the population not just on sectarian, but also social, cultural, and intellectual lines; on the one hand exceptionally cosmopolitan and liberal among its Arab neighbors, with close connections to Europe and America, and on the other a bastion of resistance and nationalism; and depressingly too often a poker chip in the struggles among regional and international powers. Under such circumstances, the 153 years since our founders created this institution have delivered a series of significant challenges to date, of which the current political and economic crisis is only the most recent.

In 1988, the eminent AUB historian and graduate Kamal Salibi published his seminal *A House of Many Mansions: The History of Lebanon Reconsidered*. In it he opines that in a fundamental way the Lebanese Civil War, still raging at the time, could be described as a war to determine the correct history of this country. Was Lebanon “Arab,” “Christian,” “Islamic,” “Druze,” “Phoenician?” Each side in the war had its own particular viewpoint, and this was reflected in the different battle lines drawn in the course of 15 and a half years of horrendous conflict.

Salibi’s work does not attempt to be the definitive history, but rather offers a critical study of the different historical viewpoints as a way of helping the Lebanese arrive at a consensus on a common vision, something Salibi saw as a prerequisite for them to live as a nation in peace and cooperation. Ironically, we can say in hindsight that the 1975-1990 war did lend a kind of binding national identity to Lebanon, albeit one you would not wish on your worst enemy. “Disgraced and abandoned by the world,” Salibi wrote in his introduction to the 1989 edition (of *A House of Many Mansions*), “it is possible the Lebanese are finally beginning to discover themselves. There is a noticeable consensus among all but the more committed extremists today that all are Lebanese [...] regardless of other secondary [...] affiliations.”

If the Civil War displayed the worst of Lebanon, in many ways it showed the best of AUB. Threatened with closure owing to the flight of students, faculty, and staff, the university struggled through, thanks to the self-sacrifice of those who put their lives and financial security on the line to keep our classrooms, dorms, offices, and libraries open. Our martyrs include one

university president and two deans, and numerous students, faculty, and staff. Our hospital fought to save the life of every injured patient regardless of status or affiliation—as long as they left their gun at the door. Our annual student festival Outdoors has its origins in those most difficult of times, as does our Office of Regional External Programs. At AUH, as it then was, physicians, including my father, deferred their salaries to ensure they could continue treating patients. Many of our outstanding faculty and administrators today received their education at AUB during the war, and you will hardly find one who does not describe those days as the most poignant and purpose-filled days of their lives.

While our current circumstances are nowhere near the same league of death and destruction wrought by the last civil war, there is no doubt the people of Lebanon have been simmering in an economic pressure cooker for months, if not years. Coupled with frustrations over corruption and failed government, this nationwide civil uprising was in some ways only a surprise in that it did not erupt on the same scale earlier than October 17, 2019. But we are all aware that the situation may get worse before it gets better, and it may get considerably worse. It is therefore incumbent upon all of us to do everything in our power to ensure we do not return to a state of being “disgraced and abandoned by the world.”

It is not for AUB to play a political role in this uprising but simply to continue to do what it has done over a century and a half: to act as a beacon of hope and as a bastion of liberal values. As I made clear in my article in *The Atlantic* and on CNN, AUB’s role as a university is to be an essential incubator for a better kind of leader in the Arab world, and we shall keep striving to perform that role as we have always done, without fear or favor.

Traditionally we reserve the honor of delivering our Founders Day speech for a visiting speaker. Last year, Maysa Jalbout, CEO of the Abdallah Al-Ghurair Foundation for Education, spoke on the theme of “Service to Humanity: The urgent need for universities to lead”; in 2017 our trustee Jose Zaglul, founding president of EARTH University in Costa Rica, told students “You are the forces who can change the world.” This year the honor falls to me, to deliver a “State of the University” address taking in the 46 days since the declaration of “Thawra”. In fact it is only 91 days—although it seems longer—since I last stood here at the Opening Ceremony, and delivered an address entitled, prophetically perhaps, “It can happen here.”

So much has changed since then, but much has stayed the same. On Opening Day, I pledged: “We are committed, as we have always been, to the education of our students, in good times and in bad. As Lebanon and the region move into a period of increased instability,” I continued, “we are committed to helping all of our students complete a world-class, fully supported education to the best of our abilities.” Our commitment has not changed one iota, even if the circumstances under which we shall deliver that commitment have changed considerably.

One of the great unknowns for Lebanon today is the possibility of devaluation of our currency, the lira. I do not want to speculate if, when, or how it might happen, I am not an economist, but if it happens it will affect everyone and everything. For the financially well-off, some have speculated that it may come in the form of what is known as a “haircut,” but for most of the

population the loss of purchasing power would cut people off from a lot more than that, including food, healthcare, education, transport, savings, and the basic requirements for life.

Charity begins at home, so we are taking steps to protect and secure our community from the impact of further possible deterioration of the economy, including a devaluation of the lira. With the support of our Board of Trustees, we are creating an emergency fund to help alleviate the impact of the crisis on our community, starting with its most vulnerable members. That means providing financial support for our non-managerial staff, on Grades 1-12, and those on Grade 13 and 14, who will likely be disproportionately hit by rises in the price of basic goods and services, without receiving the same benefits as other AUB employees that cover them through difficult times. If the enduring economic situation starts to bite with above-grade managerial staff and faculty, we shall look at instigating additional measures to ensure they are also able to pay for basic goods.

Most of all, helping the most vulnerable means our students, who are at the core of our AUB mission and motto “That they may have life, and have it more abundantly.” Our commitment is that we shall do everything in our power to ensure that all our enrolled students are able to complete their education without dropping out for financial, psychological, or other reasons related to the current situation. We are especially concerned for students whose families live in Lebanon where their income and savings are at risk unless there is an economic stabilization and where banks are sometimes not honoring their commitment to release funds for academic tuition.

Specifically on the subject of the Lebanese lira-US dollar exchange rate, as many of you know, in the US most state-funded public universities offer lower tuition costs to in-state residents, on average at a rate of less than two-thirds the tuition fees of out-of-state students. Our plan is to introduce a similar smart tuition system, ideally underwritten by the emergency fund, to enable in-state Lebanon residents, whose parents earn their salaries in Lebanese lira, to continue to pay tuition in lira at or near the base exchange rate of 1,515 Lebanese lira to the dollar in the event of a devaluation, in order to alleviate its impact. We do not know how long we will be able to sustain this policy, but it will be a significant boost for families that have budgeted for a particular sum for tuition and find themselves falling short through no fault of their own. Non-Lebanese (or out-of-state) students will continue to receive billing in US dollars but payment in both currencies will continue to be accepted.

The twin-track system will be a challenge to implement in order to effectively offer a discount to Lebanese students and families struggling to pay tuition. It is not our intention to offer the same discount to families who are able to pay tuition in full. Therefore the discounted rate will be offered to in-state undergraduates currently receiving financial aid from AUB, which constitutes 40% of the undergraduate population. However, including scholarship and graduate students, 60% of our students receive financial support. Any other family which falls into financial difficulty can apply for support through the financial aid program. Our message to families in Lebanon and outside that are able to continue paying from their reserves of dollars

or in Lebanese lira at the new rate is this: Please do not ask for support for convenience that others need from necessity. But if you are genuinely deserving we will not leave you by the wayside.

As you know, with or without devaluation, we are facing a significant challenge from banks imposing capital controls and not honoring promises to allow transfer of funds to pay salaries or tuition. Fortunately, AUB has accounts with seven of the top Lebanese banks enabling internal transfers of salaries and tuition payments through these banks. The risk involved means we are not considering increasing our exposure in the Lebanese banking system by opening new accounts in other Lebanese banks, but in the event that transfers are impossible, people will continue to be able to pay cash at the AUB cashier and we will need to expand the deferred payment system for those that cannot do that.

I want to spend a moment to look at the other end of the spectrum. There are 26 employees at AUB (excluding the New York Office) paid in US dollars, either in staff positions that have been fixed as such over time, or in faculty contracts with “grandfather clauses”. With an AUB employee headcount of some 6,000, these contracts represent a minuscule share of our payroll. Amending them would have a negligible impact on our finances. But as the least vulnerable to financial shock, I have been discussing among this group a measure that not only will help protect the most vulnerable by sharing their burden, but will also show a strong commitment to the mission of this university over and above their impactful work. As those on dollar salaries will see their purchasing power increase in Lebanon in the event of devaluation, a number of US dollar recipients have already volunteered to forego that increase and donate the balance of their salary to the emergency fund. We shall encourage them all to do so.

During my four years at AUB since 2015, the university has embarked on an ambitious program of strategic planning, enshrined in the VITAL 2030 principles that we have shared and discussed with the community several times over the last 18 months. Before that we launched our most ambitious capital funding campaign, BOLDLY AUB, which aims to raise \$650 million to refashion AUB as an even more impactful, sustainable, and inclusive institution. We also instigated a new campus master plan to prioritize the building and infrastructure that would support this aim. While we have raised nearly \$500 million so far, we continue to fundraise and remain confident of topping our BOLDLY AUB target. But we will try as far as possible not to draw down on the capital we have raised on the promise of building AUB’s future to cope with today’s crisis. Instead we are looking at opening new revenue streams and cutting costs wherever we can, with temporary curbs on hiring, travel, and capital expenditure, and we are looking at other cost saving measures.

There is an old adage that says “Never waste the opportunity of a good crisis.” But I can assure you AUB is not an enthusiast for the “Shock Doctrine,” a phrase coined by the author Naomi Klein in her 2007 book on what she calls the disaster capitalism policies of neoliberal free market economics. In it, Klein quotes critically the champion of free market economic theory Milton Friedman saying: “Only a crisis—actual or perceived—produces real change. When the

crisis occurs, the actions that are taken depend on the ideas that are lying around. That, I believe, is our basic function [for Friedmanite economists]: to develop alternatives to existing policies, to keep them alive and available, until the politically impossible becomes politically inevitable.” We are not here to use a crisis to make the politically impossible politically inevitable, but our current situation does enjoin us to take more concerted steps towards objectives that were on our to-do list. For example, to massively expand the sparse selection of online educational opportunities that AUB offers and to increase the implementation of blended learning which is shown to improve learning outcomes compared with the traditional classroom setting. Put another way, the October 17 Revolt is an opportunity for AUB to reposition itself as a more nimble, more impactful, and more sustainable institution which provides more opportunities to the best and brightest learners, not fewer.

In *A House of Many Mansions*, written during the nadir of Lebanon’s civil war, Salibi kept faith with a country that deserved to be held together despite its many differences and disagreements. His vision has been vindicated in the streets and squares of our cities and villages, where we have seen the emergence of an authentic national movement which is the largest and most unified since Lebanon gained its independence in 1943. Throughout the years of Lebanon’s division, AUB has always set an example of inclusive, liberal, secular values and respect of the Other in pursuit of its mission to lift the fortunes of all the people in this region. We have evolved naturally, rather than reacting to separate events and shocks, while building our transformative character. Lebanon is more prone to sudden tectonic changes, as we are seeing today, but our role at AUB is to keep delivering continuity, excellence, and the vision of a better tomorrow that all Lebanese, and all Arabs, can and should embrace to pass through our current troubles and build a more abundant future.

In one respect, Lebanon and AUB have much in common, as Kamal Salibi would have readily admitted. We are both houses of many mansions. We are both diverse and vibrant communities that can transcend cultural and political divisions, communities where nationality and education can act as stepping stones to a global cultural community. According to our name in English, we are American... *of* Beirut, not just... *in* Beirut. We provide in Beirut and in Lebanon the best American education outside the US, by all measures. We create and have undergone ourselves a process of acculturation that has given us a prime plot in the global village. We shall be judged by the world on how we weather this Lebanese crisis, and whether we emerge as a stronger, better institution, or as a battered and bruised one. If past experience is anything to go by, we could end up bruised, but stronger, battered, but better.

As I conclude, I would like to remind us not to turn inwards on our Lebanese problems and to be preoccupied by Lebanese solutions to the exclusion of other challenges. This country is still home to the greatest number of refugees per capita of population in the world, and we continue to lend our service to them in education, healthcare, and helping empower their communities. This university is also home to nearly one-in-four students who are international, including a significant number of Arab and African students on our outstanding scholarship

programs. When we finish the semester, and propose our next Founders Day essay contest, I will be reminded that three of our four winners last year were international students on comprehensive scholarships. One of those, Ubah Ali, a student from Somaliland who is studying political science in the Faculty of Arts and Sciences, has emerged in the past year as an authoritative and authentic progressive voice on the social media platform Twitter, not one that I look at with any great relish these days given the majority of its content. But Ubah stopped us all in our tracks recently when she reposted a tweet by Addis Ababa-based journalist Zecharias Zelalem that said:

“Tuesday Nov 5 at 8 am, a [@flyethiopian](#) plane jettied into Bole International Airport from Beirut, Lebanon. Its cargo? Seven dead bodies of Ethiopian domestic workers. Hundreds of family members, some from as far as Wolaita were at the airport in what became a mass mourning procession.”

Ubah’s comment from Beirut showed that our students can sometimes say more in under 280 characters than their president can sometimes manage in 30 minutes. She wrote:

“The dead bodies of these Ethiopian domestic workers do not even make the headlines of the Lebanese media. I am one of these woman and if you respect me because I am an ‘AUB student’ shame on you! Please do not give a fake smile while walking around #AUB.”

Thank you Ubah for reminding us of the respect that is owed to all our fellow women and men. Thank you for reminding us that we in AUB, Lebanon, and the world are a house of many mansions, bound together by our common humanity and our duty to the most vulnerable, wherever they come from.

So let us end with a moment of silent reflection, for Alaa Abu Fakhr, Hussein Chalhoub, Lediya Bekele, Woinshet Nigusseie, Mekedes Gadissa Ayele, and the four other Ethiopian women who died in Lebanon but whose names are not known to us.

[Pause]

Thank you.