## **Outsourced to Qatar**

### Policymaker Fact Sheet

Qatar has donated at least \$4.7 billion to American universities in recent years. Top recipients of Qatari funds are universities with branch campuses in the Gulf State. Six American universities currently operate branch campuses in Qatar: Virginia Commonwealth, Cornell, Texas A&M, Carnegie Mellon, Georgetown, and Northwestern. The Qatar Foundation recruited each university to take advantage of American resources in pursuit of various economic and educational goals for the country.

But in pursuing partnerships with Qatar, American universities ignore the stark misalignment between the values of the our nation and theirs. Qatar supports Islamic terrorists, favors censorship, and denies women rights. Many have criticized the Gulf State over fears that Qatar's illiberal values will spread to America. Qatar's censorious nature has already bled into American operations.

The Qatar Foundation actively fights disclosure of its contracts with universities. The Foundation fought against a request for Texas A&M contracts from the Washington Post in 2015, claiming the release of these documents would cause them "substantial competitive harm." The Zachor Legal Institute encountered similar challenges in 2018. And Texas A&M administrators are fighting an *Inside Higher Ed* inquiry into 2022 Qatar Foundation contracts that consolidated power under the dean for the branch campus. Texas A&M is a public university, and its activities should be transparent to the general public so that it may be held accountable when necessary. For a foreign funder to seek to undermine that transparency is deeply concerning.

Section 117 of the Higher Education Act requires universities to report foreign donations of \$250,000 or more to the Department of Education. But many universities fail to adhere to these requirements. As such, the full extent to which universities have benefited from Qatari funds is unclear. The National Association of Scholars recently found that Texas A&M continued to hide \$100 million in primarily Qatari funds. This failed disclosure was despite a 2019 Department of Education probe into the university system. In addition, universities are not required to report the identity of foreign donors unless they are foreign governments. This effectively shields organizations like the Qatar Foundation from disclosure requirements.

The National Association of Scholars offers the following recommendations to improve transparency and to prevent the corruption of American colleges and universities from foreign influence:

#### 1) Section 117 should not protect the anonymity of foreign donors

Section 117 currently only requires disclosure of identity if the donor is a foreign government. However, many donations come from foreign entities that, while not explicitly part of a foreign government, still conduct similar influence operations at American universities. In addition, foreign governments in authoritarian countries could easily use non-governmental institutions as a cover for their influence operations. Therefore, in the interest of transparency and maintaining national security, all foreign donations reported in Section 117 should disclose the identity of the foreign donor. While this may result in fewer foreign donations, the donors that would most likely be affected by this policy are also the ones that are the most risky.

# 2) The Department of Education should require universities to report a gift's purpose

Americans should know whether a foreign donation will go toward campus operations, medical research, professorships, scholarships, and so forth. Without knowing the purpose, the American public has no way to determine which part of the university could be compromised by a gift. Not all foreign donations are nefarious, but the public should be given a chance to make that determination. The Department of Education should request that this information be provided by all universities in their Section 117 reports.

#### 3) Lawmakers should strengthen state disclosure laws

Universities need proper incentives to report foreign funds. Lawmakers should look to Pennsylvania's state law <u>24 P.S. 6301-6307</u> as an example. This law subjects all universities in the state to a civil penalty of 105% of the amount for each unclosed donation. The state statute also requires universities to report gifts of at least \$100,000. As a result, the state provides thorough information to the public.

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