

Howard Davies' Letter of Resignation

from The Guardian, March 6, 2011.

Dear Peter,

When the reputational consequences for the LSE of accepting the donation from the GICDF (Gaddafi International Charity and Development Foundation) became clear, I offered to resign my position as director. You asked me to reconsider, and to talk first to the council. At its meeting on Tuesday the council offered me its support, and I was very grateful for that. But on reflection I have concluded that it would nonetheless be right for me to step down, even though I know that this will cause difficulty for the institution I have come to love.

The short point is that I am responsible for the school's reputation, and that has suffered. I believe that the decisions we have made were reasonable, and can be justified. The grant from the foundation was used to support work on civil society in north Africa, which will have value in the future. The training programmes we have run in [Libya](#) will also prove valuable in enhancing the practical skills of many people who will be needed under whatever successor regime emerges. I should also say that I have no evidence whatsoever that anyone has behaved improperly in this whole episode. To the best of my current knowledge (though we are currently reviewing the evidence), the degrees to Saif Gaddafi were correctly awarded, and there was no link between the grant and the degrees.

But however laudable our intentions, in the light of developments in Libya the consequences have been highly unfortunate, and I must take responsibility for that. I advised the council that it was reasonable to accept the money, and that has turned out to be a mistake. There were risks involved in taking funding from sources associated with Libya, and they should have been weighed more heavily in the balance. Also, I made a personal error of judgment in accepting the British government's invitation to be an economic envoy, and the consequent Libyan invitation to advise their sovereign wealth fund. There was nothing substantive to be ashamed of in that (modest and unpaid) work, and I disclosed it fully, but the consequence has been to make it more difficult for me to defend the institution than it would otherwise have been.

So I think it would be better for the institution if we announce that I intend to step down. I know this will cause some short-term disruption, but I have concluded with great sadness that it is the right thing to do. I am of course willing to help with the transition in any way I can, and to stay on for a period of time if that is helpful. I am grateful to you and your predecessor Tony Gabiner for giving me the opportunity to lead this fine university, and I wish it every success in the future.

Yours ever,

Howard Davies