Introduction

In a series of keynote addresses delivered to diplomatic and scholarly audiences since 2000, His Highness the Aga Khan has outlined his views on the key challenges that face humanity in the 21st century. His insights stem firstly from his role as Imam of the Shia Ismaili Muslims for the past fifty years, a culturally diverse community, numbering some 15 million, spread across twenty-five countries, primarily in South and Central Asia, the Middle East and Sub-Saharan Africa. And secondly, his insights come from five decades of development activities as founder of one of the world's largest private development agencies -- the Aga Khan Development Network (AKDN).

The Aga Khan explains the need to develop pluralistic attitudes and tolerance:

*One of history's great lessons is that a society can underwrite human progress only when it overcomes its insularity and suspicion of 'the other', and instead, looks upon difference as a source of strength. For, while our new century continues to be marred by conflict and tension, the effective world of tomorrow is a pluralist one which comprehends, welcomes and builds on diversity. (1) The rejection of pluralism plays a significant role in breeding destructive conflicts, from which no continent has been spared in recent decades. (2)*

*Tolerance, openness and understanding towards other peoples' cultures, social structures, values and faiths are now essential to the very survival of an interdependent world. Pluralism is no longer simply an asset or a prerequisite for progress and development, it is vital to our existence. (3) (Emphasis added)*

Specifically, the Aga Khan continues:

*[It is] my conviction that the strengthening of institutions supporting pluralism is as critical for the welfare and progress of human society as are poverty alleviation and conflict prevention. In fact all three are intimately related. ... The actions to enhance pluralism have to be matched in the developing world by programmes to alleviate poverty because, left alone, poverty will provide a context for special interests to pursue their goals in aggressive terms. (4) That is why I passionately view the struggle against poverty, and respect for the values of pluralism, as two of the most significant tests of whether the 21st Century is to be an era of global peace, stability and progress. (1) (Emphasis added)*
The Aga Khan also highlights the failure of governance in 40% of the world's countries. Importantly, the Aga Khan suggests it represents a failure of democracy.

Newspaper headlines remind us daily of growing strains and stresses: Civil disorder in places as affluent as France and Australia; ... the sense of impotence amid suffering in places like Darfur, the planet becomes more crowded and its resources less abundant; the widening gap between rich and poor. People everywhere cry out against these evils. But change, when it comes at all, is painfully slow, and we sometimes seem to be sliding backward. (5)

The question I ask -- as I read all these headlines -- is this: Why are political and civil leaders, in rich and poor nations alike, unable to develop the vision and harness the will to confront such challenges more effectively? (5)

What makes this sense of impasse especially disturbing is that it so often represents a failure of democracy. ... For the past half century, we have seen great waves of ostensibly democratic reform -- from the fading of colonialism in mid-century to the fall of the Iron Curtain. But despite this apparent progress, the results have often been disappointing. (5)

The Aga Khan explains, both of these issues are interrelated and related to several other key issues, and their solution requires persistence over the long term:

Cross cultural interaction has been a central focus of my own activities (5) ... As I look at escalating tensions in the world, I am convinced more than ever that neither "peaceful" nor "productive" modern societies will ever be achieved by short term responses composed in the midst of crisis. ... There are fundamental issues that must be addressed persistently, and over the long term, if we are to achieve the desired outcomes. (6)

According to the Aga Khan, addressing all the issues requires a multidisciplinary approach, however the common thread amongst them all is they are rooted in the ethics of Islam -- which has been his guiding principle.

The Ethics of Islam

By appreciating the Aga Khan’s statement, “the ethics of Islam guide all my activity”, in its broadest context, one may understand his unyielding commitment to stay true to Islam’s ethical values as well as his views on the issues facing Humanity. In particular, the Aga Khan explains Islam’s ethics inspire both:

- the code of conduct one must aspire towards and
- the guiding light, the vision, the end objectives, the duties of a Muslim.

In respect of the code of conduct he aspires towards, the Aga Khan states:
In the case of Islam, there are two touchstones which I have long treasured and sought to apply. (7)

The first affirms the unity of the human race, as expressed in the Holy Qur'an. (7) ... The spiritual roots of tolerance include, it seems to me, a respect for individual conscience -- seen as a Gift of God -- as well as a posture of religious humility before the Divine. It is by accepting our human limits that we can come to see the other as a fellow seeker of truth -- and to find common ground in our common quest. (7)

[The second are] Hazrat Ali's words so that you may understand the spirit in which I have attempted to fulfil the mandate left to me as the 49th hereditary [Ismaili] Imam. Hazrat Ali, the cousin and son-in-law of the Prophet, was, in Shi'a belief, named by the Prophet to be the Legitimate Authority for the interpretation of the faith. For the Shi’a today, all over the world, he is regarded as the first [hereditary] Imam. I quote: (7)

"No belief is like modesty and patience, no attainment is like humility, no honour is like knowledge, no power is like forbearance, and no support is more reliable than consultation."

Notice that the virtues endorsed by Hazrat Ali are qualities which subordinate the self and emphasize others -- modesty, patience, humility, forbearance and consultation. What he thus is telling us, is that we find knowledge best by admitting first what it is we do not know, and by opening our minds to what others can teach us. (8)

Over these five decades, I have watched that world oscillate constantly, between hope and disappointment. ... One ingredient which holds particular promise in the search for fulfillment is the search for knowledge. (8)

From the very beginnings of Islam, the search for knowledge has been central to our cultures. (8) Hazrat Ali's regard for knowledge reinforces the compatibility of faith and the world. And his respect for consultation is, in my view, a commitment to tolerant and open-hearted democratic processes. (7)

In respect of how the ethics of Islam inspire and guide his objectives, the Aga Khan states:

The four virtues of harmony, friendship, valour and state wisdom are an enduring foundation of societal welfare; these values are at the heart of the ethics of Islam that guide the institutions of the Ismaili Imamat. (9)

In Islam, the Holy Qu’ran says that man is God's noblest creation to whom He has entrusted the stewardship of all that is on earth. Each generation must leave for its successors a wholesome and sustainable social and physical environment. (10)
I have been involved in the field of development for nearly [five] decades. This engagement has been grounded in my responsibilities as Imam of the Shia Ismaili Community, and Islam's message of the fundamental unity of 'din and dunia', of spirit and of life. Throughout its long history, the Ismaili Imamat has emphasised the importance of activities that reflect the social conscience of Islam, that contribute to the well being of Allah's greatest creation -- mankind, and the responsibility which Islam places on the fortunate and the strong to assist those less fortunate. (11)

Wherever they live, [Ismailis] faithfully abide by the Qu’ranic ethic of a common humanity and the dignity of man. They willingly pool knowledge and resources with all those who share our social ethic to help improve the quality of life of less fortunate men, women and children. (9)

This is the impulse that drives the Aga Khan Development Network, the AKDN. To understand this dimension of the religious office I hold, one must appreciate that Islam encompasses both the spiritual and the secular. This unity underpins an unrelenting effort towards an equitable order, where the vulnerable are helped to regain the dignity of self-fulfilment. (9)

The search for justice and security, the struggle for equality of opportunity, the quest for tolerance and harmony, the pursuit of human dignity -- these are moral imperatives which we must work and think about on a daily basis. (5)

However, the Aga Khan asks: how do we inspire such attitudes, critical for the peaceful future of humanity, amongst society, given the current self-centred sentiments held?

How, in an increasingly cynical time, can we inspire people to a new set of aspirations -- reaching beyond rampant materialism, the new relativism, self-serving individualism, and resurgent tribalism? (5)

A deepening sense of spiritual commitment -- and the ethical framework that goes with it -- will be a central requirement if we are to find our way through the minefields and the quick sands of modern life. A strengthening of religious institutions should be a vital part of this process. To be sure, freedom of religion is a critical value in a pluralistic society. But if freedom of religion deteriorates into freedom from religion -- then societies will find themselves lost in a bleak and unpromising landscape -- with no compass, no roadmap and no sense of ultimate direction. (5)

A central element in a truly religious outlook, it seems to me, is the quality of personal humility -- a recognition that strive as we might, we will still fall short of our ideals, that climb as we might, there will still be unexplored and mysterious peaks above us. It means recognizing our own creaturehood -- and thus our human limitations. In that
recognition, it seems to me, lies our best protection against false prophecies and divisive
dogmatism. (5)

What I am calling for, in sum, is an ethical sensibility which can be shared across
denominational lines and which can foster a universal moral outlook. (5)

The results of the Aga Khan's insight on the ethics of Islam and his steadfast resolve to hold
to them, have earned him appreciation and respect from leaders the world over. During his
laudatory address at the presentation ceremony for the Tolerance Award from the
Evangelical Academy of Tutzing, Germany in May 2006, the German Minister of Foreign
Affairs, Dr Frank-Walter Steinmeier, said:

We honour an exceptional man, we honour a huge friend of humankind, we honour a
courageous visionary and we honour a person building bridges between societies ... [who is a] fortress for democratic progress, as someone wishing to bring about sustainable, pluralistic, civil societies. (12) ... A man who shows us a face of Islam that many of us do not know and sadly all too often we do not want to know: an Islam that is open, tolerant and willing to engage in dialogue. An Islam that is not in conflict with free, democratic and pluralistic societies. (13)

Factors that Impact the development of peaceful, progressive, enlightened
societies

Since 1957, with the ethics of Islam as the premise behind his work, the Aga Khan has
consistently drawn attention to critical factors which impact, positively or negatively, the
development of peaceful, progressive, enlightened societies. These include:

- pluralism and conflicts,
- poverty alleviation,
- enabling environments,
- civil society institutions,
- the corporate sector,
- competent political governance,
- ethics and integrity,
- the clash of ignorance,
- education,
- the media.

All, he explains, are interrelated and "mutually reinforcing"; that is, none exists in a vacuum, isolated:

- Pluralism, depends on or impacts every factor, directly or indirectly, and therefore stands fundamental.
- Conflict resolution is dependant on pluralism and poverty alleviation.
• Poverty alleviation depends on stable and competent democratic governance, an environment that respects and encourages pluralism, and a diverse and engaged civil society; that is the enabling environment.

• Enabling environments, in turn, depend on civil society, the corporate sector and competent political governance.

• Civil society institutions, in turn, depend on an enabling environment, pluralism and corporate sector engagement.

• The corporate sector, on the other hand, requires an enabling environment to create a safe climate for investment.

• Competent political governance is dependant on civil society institutions, an educated sophisticated population, and, of course, ethics and integrity.

• Ignorance is a symptom of educational and media lethargy but sound knowledge and education will positively impact every other factor.

• Education, however, depends on competent political government and civil society organizations.

The Aga Khan explains, “the conditions which enable progress can be extremely complex, that an entire 'environment' of interacting forces must come together if development is truly to take root -- and to take off”. (14) In particular, they depend on the synergistic and collaborative effort of three sectors listed above -- namely government, civil society and business:

To be sure, each of these three sectors -- government, civil society, and the business sector -- can accomplish important things on its own. But it is my conviction -- that one of the chief obstacles to development in our time is that the energies of all three sectors are too often scattered and fragmented. Too often, the various actors go about their business without enough reference to one another. The result often reminds me of an orchestra made up of talented and dedicated artists -- but playing from different scores. The result is not harmony but cacophony -- and an unevenness of public impact which is inherently unfair. (14)

The remainder of this document provides the Aga Khan’s views on each of the above factors. However, given their intimate interconnectedness, it is only by embracing the entirety of his outlook that his views on any one of these factors can be properly understood.

Pluralism and Conflicts

The Aga Khan points out that due to globalization, modern communications and extensive migration, people from different cultures intermingle continuously and more than ever before. However, the issue is that "societies which have grown more pluralistic in make-up, are not always growing more pluralistic in spirit." (7)
The Aga Khan continues:

What is needed -- all across the world -- is a new 'cosmopolitan ethic'-- rooted in a strong culture of tolerance; (7) ... the inability of human society to recognize pluralism as a fundamental value constitutes a real handicap for its development and a serious danger for our future. (4)

Since the end of the Cold War, a number of factors appear to have been common and significant ingredients, if not the primary cause, of many of the conflicts we have witnessed. Perhaps the most common of these ingredients has been the failure of those involved to recognize the fact that human society is essentially pluralist, and that peace and development require that we seek, by every means possible, to invest in and enhance, that pluralism. (4) (Emphasis added)

The rejection of pluralism is pervasive across the globe and plays a significant role in breeding destructive conflicts. Examples are scattered across the world's map: in Asia, in the Middle East, in Africa, in Europe, in the Americas. No continent has been spared from the tragedies of death, of misery and of the persecution of minorities. (15)

In light of these persistent conflicts, the Aga Khan asks:

Are such high-risk situations predictable? If the answer is, "Yes", then what can be done about them, to pre-empt the risk that the rejection of pluralism will become the spark that sets human conflict aflame? (15)

What is being done to support this key value for society and for democracy in Asia and Africa, to pre-empt catastrophe, rather than simply respond to it? (2)

Is the onus not on leadership, in all parts of the world, to build a knowledge base about such situations and consider strategies for preventing them? (15)

Whether it be in Central Europe, the Great Lakes region in Africa, or in Afghanistan -- to cite just one example from three different continents -- one of the common denominators has been the attempt by communal groups, be they ethnic, religious, or tribal groups, to impose themselves on others. (4) Those groups that seek to standardize, homogenize, or if you will allow me, to normatise all that and those around them must be actively resisted through countervailing activities. (4)

Pluralist societies are not accidents of history. They are a product of enlightened education and continuous investment by governments and all of civil society in recognizing and celebrating the diversity of the world's peoples. (6) For pluralism, in essence, is a deliberate set of choices that a society must make if it is to avoid costly
conflict and harness the power of its diversity in solving human problems. (16)
(Emphasis added)

To this end the Aga Khan is establishing the Global Centre for Pluralism in Ottawa and explains its proactive mission:

[The centre] will be based in Ottawa to draw from Canada’s successful record in constructing and sustaining pluralist civil society. The centre will work closely with governments and with academia and civil society around the world. (2)

[It] will seek to foster legislation and policy to strengthen developing countries’ capacity for enhancing pluralism in all spheres of modern life: including law, justice, the arts, the media, financial services, health and education. (2)

I believe leadership everywhere must continuously work to ensure that pluralism, and all its benefits, become top global priorities. (2) For, I deeply believe that our collective conscience must accept that pluralism is no less important than human rights for ensuring peace, successful democracy and a better quality of life. (15) (Emphasis added)

Though the challenge is not insignificant, the Aga Khan explains the task is immensely supported by the human spirit’s inherent predisposition towards peace and conciliation:

We often determine ‘who we are’-- by determining who we are against. This fragmenting impulse not only separates peoples from one another, it also subdivides communities -- and then it subdivides the subdivisions. It leads to what some have called the "fraying" of society -- in which communities come to resemble a worn out cloth -- as its tight weave separates into individual strands. (7)

But the human inclination to divisiveness is accompanied, I deeply believe, by a profound human impulse to bridge divisions. And often the more secure we are in our own identities, the more effective we can be in reaching out to others. (7)

If our animosities are born out of fear, then confident generosity is born out of hope. One of the central lessons I have learned after a half century of working in the developing world is that the replacement of fear by hope is probably the single most powerful trampoline of progress. (7) (Emphasis added)

Even in the poorest and most isolated communities, we have found that decades, if not centuries, of angry conflict can be turned around by giving people reasons to work together toward a better future -- in other words, by giving them reasons to hope. And when hope takes root, then a new level of tolerance is possible, though it may have been unknown for years, and years, and years. (7)
Poverty Alleviation

The Aga Khan's conviction is that pluralism, poverty alleviation and conflict prevention are all "intimately related" and therefore "the actions to enhance pluralism have to be matched in the developing world by programmes to alleviate poverty because, left alone, poverty will provide a context for special interests to pursue their goals in aggressive terms." (4) (Emphasis added)

However, as the Aga Khan explains, successful, lasting poverty alleviation rests upon a comprehensive set of integrated civil society and developmental initiatives:

Development is sustainable only if the beneficiaries become, in a gradual manner, the masters of the process. This means that initiatives cannot be contemplated exclusively in terms of economics, but rather as an integrated programme that encompasses social and cultural dimensions as well. Education and skills training, health and public services, conservation of cultural heritage, infrastructure development, urban planning and rehabilitation, rural development, water and energy management, environmental control, and even policy and legislative development are among the various aspects that must be taken into account. (4)

And in particular, he stipulates that:

No human development initiative can be sustainable unless we are successful in achieving three essential conditions:

- First, we must operate in an environment that invests in, rather than seeks to stifle, pluralism and diversity.
- Second, we must have an extensive and engaged civil society.
- And third, we must have stable and competent democratic governance.

These three conditions are mutually reinforcing. Taken together, they allow developing societies gradually to become masters of the process and make that process self-sustainable. (2)

When any element is deficient, development is hindered or even set back, in turn impacting poverty alleviation programs, in turn creating marginalized groups, "risk zones" that are "sources of instability". It is for these reasons that the Aga Khan Development Network has been focused, for the past 50 years, on developing permanent institutional capacity for every one of the above elements.

Enabling Environments

"The Enabling Environment" is a term the Aga Khan conceived himself and first explained in 1982 in Kenya. His conviction to the concept led the Aga Khan to convene the first Enabling Environment Conference in Kenya in 1986. More recently, he explained:
Over the ensuing quarter century, we have learned a great deal about the nature of Enabling Environments. Among other things, we have been learning to free ourselves from overly simple myths about how development works.

The term 'Enabling Environment' has two implications which I would underscore today. First, it reminds us that the conditions which enable progress can be extremely complex, that an entire 'environment' of interacting forces must come together if development is truly to take root -- and to take off.

Second -- the term recognizes that even the right environment is still only an enabling condition -- not a sufficient one. Our conference title [The Enabling Environment] does not talk about an environment which 'solves' or 'cures' or 'progresses' or 'prevails' -- but rather about an environment which 'enables'. In the end, human progress must grow out of the human heart and soul. The environment enables -- but it is the human spirit, guided and supported by the Divine Will, which eventually triumphs.

What a sound enabling environment must do is to create a favourable framework in which human creativity can flourish.

When I have spoken about this topic in the past, I have emphasised such conditions as political stability, safety and security, citizen rights, predictable democratic practices, and a legal and administrative framework which is streamlined and efficient, impartial and effective. While these concerns are largely the responsibilities of government I believe that the ethics of Islam can contribute significantly to their achievement, especially the importance Islam places on mediation and conciliation.

Laying the State's political foundation is a necessary first step for an enabling environment, but even effective government can take us only so far. And that is why we have been talking more in recent years about two other sectors: first, what I often call the role of 'civil society'; and, secondly, the capacities of the private sector. (14)

Civil Society Institutions

Having fifty years of first hand and successful experience in development of the poorest peoples, and as founder of one of the world's largest private development institutions, the Aga Khan Development Network, the Aga Khan is in a unique position to reflect not only upon the notion of Civil Society institutions but also their role and impact in world progress:

By civil society, I mean a realm of activity which is neither governmental nor commercial institutions designed to advance the public good, but powered by private energies. (14) They include institutions dedicated to education, to culture, to science and research. They include commercial, labour, professional and ethnic associations, as well as entities devoted to maintaining health, protecting the environment, and curing
disease. Religious institutions are central to civil society -- and so are institutions of the media. (5)

Of course, the civil sector includes international non-governmental organizations. ... But they also grow, increasingly, out of local communities and indigenous populations. This is particularly true for Afghanistan, where a broad sense of local commitment, tied to rural villages and urban neighbourhoods, will be an indispensable development force. (14)

Long active in sub-Saharan Africa, the Middle East, South and Central Asia, the AKDN agencies and programmes help advance human development -- cultural, economic and social. Experience convinces us that human progress can only be achieved and sustained when it is anchored in grassroots institutions of civil society, able to harness merit and build on pluralism, as bedrocks of democracy. (9)

[However], because most civil society institutions are non-commercial, these institutions are faced with the fundamental problem of identifying financial resources that will keep them alive and enable them to grow. At the heart of the issue is the question: 'Is civil society bankable?' If so, what criteria should apply? The long history of the AKDN agencies has shown that non-commercial civil society institutions face the permanent threat of being systematically under-funded. (11)

Sometimes, in our preoccupation with government, we discount the impact of civil society, including the potential of constructive NGO's. ... Meeting the realities of a complex world will require a strengthened array of civic institutions. They spur social progress -- even when governments falter. (17) One of the reasons that governments often fail is that we depend too much on them. We invest too many hopes in political promises and we entrust too many tasks to political regimes. (17)

Throughout the developing world, we see a new emphasis on the capacities of indigenous organizations to meet development challenges -- on a bottom up rather than a top down approach. Voluntary village associations, for example, are undertaking projects which once lay in the political domain -- ranging from the installation of water and sanitation systems and the building of irrigation canals, to the provision of educational services and the support of health and safety standards. (14)

A vast decentralization of decision-making is already occurring in many countries; it has the advantage of placing new responsibilities in the hands of local communities. (18)

We believe that the principal issue is the need to build a vibrant civil society to help develop economic, social and cultural institutions to serve people in rural and urban settings. We have thus been co-operating with the Government in expanding a community development programme through the creation of village-based Community
Development Councils, enabling us to direct attention to priorities that people themselves identify. A thousand of these institutions are expected to be functioning by next year. (19)

It is heartening that a recent external evaluation, commissioned by the World Bank, found this AKDN approach innovative and effective in forming credible, legitimate and self-reliant institutions. The report commended the outcome as a significant contribution to democratic governance and civil society development in the country. This observation corresponds to our experience in many countries, similar to that of the United Nations, that a healthy civil society is indispensable to fostering and legitimizing pluralism which itself is the foundation of democratic government. This remains a paramount challenge. (19)

The key to future progress will lie less in traditional top-down systems of command and control -- and more in a broad, bottom-up spirit of co-ordination and co-operation. (18) But such developments cannot be coerced. They require an encouraging, enabling environment, supported by a broad public enthusiasm for social goals. (17)

In saying all of this, I do not mean to ignore the importance of government. The role of civil society is to complement government efforts, not compete with them. And the same thing is true of a third important partner in a great alliance for development -- the private, business sector. (14)

The Corporate Sector

Both the promotion of the concept of partnership between the private sector, government and civil society and its actual tangible implementation on the ground is a permanent hallmark of the Aga Khan’s vision and attitude. Today this spirit of partnership has extended to include hundreds of governments, corporate and civil-society organizations of all sizes. Two early examples of this vision and attitude towards partnership, dating back to 1957 immediately after the Aga Khan assumed the office of the Imamat of the Shia Ismaili Muslims at the age of 20, are worthy of mention:

- On October 22, 1957, commenting on the Aga Khan Platinum Jubilee Hospital in Nairobi, which at that time represented the largest single private contribution to the medical services in Kenya, the Aga Khan advised:

  Remember, above all how important it is to encourage and promote good relations among the different races who live here together. Let me give you a practical example -- behind, you can see the structure of a great new hospital which is almost completed. It will be one of the best equipped hospitals in East Africa. Half of it has been paid for by the Ismaili community and half by the government. It will be, like
our schools, available to all races. I hope that this will be only one of many other ventures in which the spirit of partnership will always prevail.

- On March 11, 1967 at the opening of the Industrial Promotion Services (IPS) Building, Nairobi, the Aga Khan stated:

  IPS has taken more of my personal time and thought than practically every other business activity connected with developing countries. The heart of the matter is the idea which lies behind the whole concept of IPS -- the idea of partnership in progress.

Today the Aga Khan elaborates his vision further:

All around the world, private companies of all sizes are a rapidly growing source of progressive energy. Increasingly, they see corporate social responsibility not as something extra -- a symbolic afterthought tacked on to the corporate agenda at the end of the day -- but rather as part and parcel of their basic commercial strategies. Many companies have set up dedicated departments or corporate foundations to lead such efforts -- budgeting a portion of their proceeds to finance them. Other companies encourage and even match the contributions of time and treasure made by individual employees.

We can see a notable example of this potential here in Kabul. Roshan is a mobile phone company, only four years old, but already the largest company in Afghanistan -- with over one million customers and nearly a thousand employees. For almost two years now, it has sponsored a department of Corporate Social Responsibility -- the first of its kind in Afghanistan.

Roshan sponsors micro-finance projects which enable women to become independent entrepreneurs -- selling phone services, or repairing mobile phones. It provides playgrounds, meals, cultural and school projects for street children. It has pioneered in the field of Telemedicine -- using fibre optic and microwave links to connect local patients to sophisticated doctors and equipment in Karachi.

Roshan has recently been honoured, for these and other efforts, by the prestigious Committee to Encourage Corporate Philanthropy -- an association of over 160 major corporations -- as an inspirational business model.

The Roshan story is one I know well -- since the company's largest shareholder is the Aga Khan Fund for Economic Development (AKFED) But it is only one of countless examples of imaginative business initiatives.

Distinguishing AKFED as a for-profit development agency, the Aga Khan highlighted that:
[Our] criteria are far different from those of a straightforward commercial investor. ... For us, responding appropriately to economic opportunity means finding ways of positively impacting people’s lives. AKFED does seek to generate profits, but they are entirely reinvested in future development initiatives. (20)

The focus is not on profit, but on people. ... All AKFED strategic investments are made in close consultation with the government, focusing on the key sectors of industry, infrastructure, media, financial services, air transport and the leisure industry. ... We seek ways to transfer knowledge and technical capacity to local citizens and to the national economy to generate an economic ripple effect. (19)

AKFED is ready to take justified investment risks -- to a greater extent than many other investors. We are ready to be patient investors, with a far-ranging vision. We are long-term players, maintaining our presence even during periods of economic or political turbulence. (21)

Elaborating on the Imamat’s holistic vision of development, as prescribed by the faith of Islam, the Aga Khan said that it was about "investing in people, in their pluralism, in their intellectual pursuit, and search for new and useful knowledge, just as much as in material resources." "But," he continued, "it is also about investing with a social conscience inspired by the ethics of Islam." (19)

Competent Political Governance

Drawing attention to the fact that democracy is fragile, the Aga Khan notes that elections and the existence of political parties do not, by themselves, guarantee stable governments, competent political leadership or progress. He notes that "democracy and progress do not always go hand in hand -- and the growing threat of 'Failed States' can often be described as 'the Failure of Democracy.'" (5) Looked at in another way, he asks the question:

Why are political and civil leaders, in rich and poor nations alike, unable to develop the vision and harness the will to confront such challenges more effectively? (5)

In essence, he states the impasse lies in the humbling realization that it represents the failure of democracy.

For many centuries, it was the conviction of enlightened people that societies would truly come to grips with their problems once they became democratic. The great barrier to progress, they said, was that governments listened to the special few -- rather than the voice of the many. If we could only advance the march of democracy, they argued, then a progressive agenda would inevitably fall into place. (5)
But I am not sure that such an analysis holds up any longer. For the past half century, we have seen great waves of ostensibly democratic reform -- from the fading of colonialism in mid-century to the fall of the Iron Curtain. But despite this apparent progress, the results have often been disappointing. Democracy and progress do not always go hand in hand. (5)

Over these five decades, I have watched [the developing] world oscillate constantly, between hope and disappointment. Too often, disappointment has been the dominant story. (8) And too often the dominant response to disappointment has been to embrace false hopes (8) -- not only the false allure of state socialism, nonalignment, and single-party rule, but also the false glories of romantic nationalism and narrow tribalism, and the false dawn of runaway individualism. (17)

Often, the more democratic governments were the more effective and responsible. But this was not consistently true -- and I have recently found it to be decreasingly true. (5)

The Aga Khan therefore urges that we seek to discover why democracies are failing (so we may take remedial actions) and suggests many factors:

- If we were to look at a map of the world that charted armed conflicts in the last 15 years, it would show that nearly two thirds have occurred in the developing countries of Asia and Africa. More than 80 per cent were internal conflicts, either full-blown civil wars or state-sanctioned aggression against minorities in those countries. (2)
  
  I suggest to you that a major problem [in the causes of armed conflicts] is that the industrialized world too often is severely lacking in credible information about the forces at play in the developing world. (2)

- Frequently, democratic failures grow out of sheer incompetence. ... People are appointed to jobs they cannot do -- but are rarely held accountable. Publics are asked to vote on issues that bewilder them. Candidates obscure their own views and distort their opponents' positions. Journalists transmit superficial rhetoric and slight underlying realities. (5)

- Democratic systems veer between too many checks and balances -- and too few. Parliaments, in particular, often lack the expertise and structure to grapple with complex problems -- and they are often too fictionalized or too subservient to sustain a coherent view. (5)

- Too often, we insist that democracies must all follow a similar script -- evolving at a similar pace -- without recognizing that different circumstances may call for different constructs. ... One size need not fit all -- and trying to make one size fit all can be a recipe for failure. The world's most successful democracies have had widely differing histories -- each taking its own shape according to its own timetable. ... it is simplistic to wish that our democratic destinations should be similar -- that they cannot be reached by many paths. The democratic spirit of freedom and flexibility must begin with our definitions of democracy itself. (17)
The Aga Khan suggests that creating, stabilizing and strengthening democracy rests on several pillars: civil society, pluralism, meritocracy, education and strengthening public integrity:

- **Even as we think more flexibly about democracy, we should also consider a second goal: diversifying the institutions of democratic life. One of the reasons that governments often fail is that we depend too much on them. We invest too many hopes in political promises and we entrust too many tasks to political regimes. Governments alone do not make democracy work. The most successful democracies are those in which the non-governmental institutions of "civil society" also play a vital role. (15)**

- **Civil society is an essential bulwark that provides citizens with multiple channels through which to exercise effectively both their rights and duties of citizenship. Even at a very basic level, only a strong civil society can assure isolated rural populations and the marginalized urban poor of a reasonable prospect of humane treatment, personal security, equity, the absence of discrimination, and access to opportunity. (15)**

- **By its very nature, civil society is pluralist because it seeks to speak for the multiple interests not represented by the state. I refer, for example, to organizations which ensure best practices such as legal societies and associations of accountants, doctors and engineers. The meritocracy they represent is the very foundation of pluralism. And meritocracy is one of the principles of democracy itself [in that the meritorious have access to opportunity and are also allowed to benefit from the fruits of their labour]. (2)**

- **We must do a better job of training leaders and shaping institutions to meet more demanding tests of competence and higher standards of excellence. ... Are the curricula we teach relevant to the knotty problems of the future? Or are we still providing a twentieth century education for twenty-first century leaders? (5) Developing countries must educate about governance at secondary and tertiary levels. Otherwise, they deprive their intelligentsia of academic grounding in the critical knowledge of how democratic states operate. A survey today in secondary schools or universities in Africa or Asia would find that "government," as a subject in its own right, is either non-existent or given low priority. It is clear that over the next decades, a large number of countries will be designing new constitutions, or refining existing ones, and new regional groupings will come into place. Many young democracies will spawn new political structures. But where are the men and women who will lead? (2)**

- **On the issue of public integrity, the Aga Khan advises:**

  > A deeply rooted sense of public integrity means more than integrity in government, important as that must be. Ethical lapses in medicine and education, malfeasance in business and banking, dishonesty among journalists, scientists, engineers, or scholars – all of these weaknesses can undermine the most promising democracies. Let me emphasize my strong conviction that public integrity cannot grow out of authoritarian pronouncements. It must be rooted in the human heart and conscience. (17)
But a healthy sense of public integrity, in my view, will be difficult to nurture over time without a strong religious underpinning. In the Islamic tradition, the conduct of one's worldly life is inseparably intertwined with the concerns of one's spiritual life – and one cannot talk about integrity without also talking about faith. From that perspective, I would put high among our priorities, both within and outside the Islamic world, the need to renew our spiritual traditions. To be sure, religious freedom is a critical value in a pluralistic society. But if freedom of religion deteriorates into freedom from religion – then I fear we will soon be lost on a bleak and barren landscape – with no compass or roadmap, no sense of ultimate direction. (17)

The Clash of Ignorance

The Aga Khan has stated many times that, rather than the impending "clash of civilizations" predicted between the West and Islam, we are instead "witnessing is a Clash of Ignorance, an ignorance that is mutual, long-standing, and to which the West and the Islamic world have been blind for decades at their great peril." (22) He continues:

When people speak these days, about an inevitable 'Clash of Civilizations' in our world, what they often mean, I fear, is an inevitable 'Clash of Religions.' But I would use different terminology altogether. The essential problem, as I see it, in relations between the Muslim world and the West is 'A Clash of Ignorance.' And what I would prescribe -- as an essential first step -- is a concentrated educational effort. (7)

Instead of shouting at one another, we must listen to one another -- and learn from one another. As we do, one of our first lessons might well center on those powerful but often neglected chapters in history when Islamic and European cultures interacted co-operatively -- constructively and creatively -- to help realize some of civilization's peak achievements. (7)

I would hope to see the day when the definition of an educated person in Judaeo-Christian culture would include an intelligent understanding of the Muslim world. That person would appreciate the eminent position of Islamic civilizations in human thought and knowledge. That would include an understanding of their tradition of research and achievements, from philosophy and the arts, to the sciences, architecture and engineering. (6)

The current void of knowledge makes it impossible to establish a dialogue because you cannot build a dialogue based upon ignorance. With whom do you have dialogue? (6)

A dramatic illustration is the uninformed speculation about conflict between the Muslim world and others ... How many leaders even in the West, whether in politics, the media or other professions which in their own ways shape public opinion, grow up aware that the historic root cause of the conflict in the Middle East was an outcome of the First
World War? Or that the tragedy that is Kashmir is an unresolved colonial legacy, and
that neither had anything to do with the faith of Islam? To what extent is the public
aware that the deployment of Afghanistan as a proxy by both sides in the Cold War is a
major factor in her recent history of tragic woes? These matters, which now touch the
lives of all world citizens, are simply not addressed at any level of general education in
most Western countries. (15)

Intellectual honesty and greater knowledge are essential if current explosive situations
are to be understood as inherited conflicts and -- rather than being specific to the
Muslim world -- driven by ethnic and demographic difference, economic inequity and
unresolved political situations. (15)

Humanities curricula in many educational institutions in the West, rarely feature great
Muslim philosophers, scientists, astronomers and writers of the classical age of Islam,
such as Avicenna, Farabi and al-Kindi, Nasir Khusraw and Tusi. This lack of knowledge
and appreciation of the civilizations of the Muslim world is a major factor that colours
media stereotypes, by concentrating on political hot-spots in the Muslim world, and
referring to organizations as terrorist and Islamic first, and only obliquely, if at all, to
their national origins or political goals. (15)

No wonder that the bogey of Islam as a monolith, irreconcilable to the values of the West
or, worse, as a seedbed of violence, lurks behind its depiction as being both opposed to,
and incapable of, pluralism. This image flies directly in the face of the respect that
Islam's cherished scripture confers upon believers in monotheistic traditions, calling
upon Muslims to engage with them in the finest manner, and with wisdom. History is
replete with illustrations where Muslims have entrusted their most treasured possessions,
even members of their families, to the care of Christians. Muslim willingness to learn
from Jewish erudition in medicine, statecraft and other realms of knowledge, is well
exemplified by the place of honour accorded Jewish scholars at the court of the Fatimid
Imam-Caliphs of Egypt. (15)

The Aga Khan used the publishing of those caricatures, which brought such pain to Islamic
peoples by a Danish newspaper, as a poignant example of the dangerous effects of
ignorance:

For I must believe that it is ignorance which explains the publishing of those caricatures
which have brought such pain to Islamic peoples. I note that the Danish journal where
the controversy originated acknowledged, in a recent letter of apology, that it had never
realized the sensitivities involved. (5)

In this light, perhaps, the controversy can be described less as a clash of civilizations
and more as a clash of ignorance. The alternative explanation would be that the offence
was intended -- in which case we would be confronted with evil of a different sort. But even to attribute the problem to ignorance is in no way to minimize its importance. In a pluralistic world, the consequences of ignorance can be profoundly damaging. (5)

Perhaps, too, it is ignorance which has allowed so many participants in this discussion to confuse liberty with license – implying that the sheer absence of restraint on human impulse can constitute a sufficient moral framework. This is not to say that governments should censor offensive speech. Nor does the answer lie in violent words or violent actions. But I am suggesting that freedom of expression is an incomplete value unless it is used honourably, and that the obligations of citizenship in any society should include a commitment to informed and responsible expression. (5)

Ignorance, arrogance, insensitivity -- these attitudes rank high among the great public enemies of our time. And the educational enterprise, at its best, can be an effective antidote to all of them. (5)

**Education**

The Aga Khan's position vis-à-vis education, and more accurately knowledge, is that it is a vital cornerstone in solving the world's problems. Knowledge reduces cultural ignorance and creates a space for pluralistic and tolerant attitudes to develop, which, in turn, reduce the likelihood of conflict. It facilitates the development of competently equipped young men and women to assume leadership roles in a complex and rapidly changing world. And beyond formal education for the young, education of the population at large is necessary for all the same objectives. All of which also help strengthen democracies.

The Aga Khan elaborates:

>A secure pluralistic society requires communities that are educated and confident both in the identity and depth of their own traditions and in those of their neighbours. (15)

>I must say that, as a Muslim, I stand here in front of you in amazement that the Western world had to experience the revolution in Iran to learn about Shia Islam, or the civil war in Afghanistan to learn about Wahhabi Islam. Please remember that we are talking about a religion followed by one-fifth of the world's population! This is the equivalent of Muslims being unaware of the distinction between Catholics and Protestants within Christianity. The point I wish to make is that the governments, civil societies and the peoples of this world will be unable to build strong pluralist societies with the present level of global cultural ignorance, and particularly about its pluralism. Even the most developed countries will need a massive effort to educate the world's youth in a more thoughtful, competent and complete manner for the global responsibilities which they will be expected to fulfil, and particularly so in the increasing number of functioning democracies where an informed public plays such a central role. (4)
Democracies must be educated if they are to express themselves competently, and their electorates are to reach informed opinions about the great issues at stake. Perhaps the greatest obstacle to pluralism and democracy, however, is the lacuna in the general education of the populations involved. (15)

An education must equip students with the tools that enable them to adapt, and thrive, in a world characterized by change. In such an environment, technical proficiency is not enough. Education that prepares children for life must go beyond fundamental skills to stimulate creativity, intellectual curiosity and honest inquiry. Advancement and development, both personal and societal, are dependant on these elements. Innovation and progress arise from the ability to approach a challenge in a new way and offer a solution. (23)

[Education] must also stimulate students to consider a variety of perspectives on some of the fundamental questions posed by the human condition: 'What is truth?' 'What is reality?' and 'What are my duties to my fellow man, to my country and to God?' At the same time, education must reinforce the foundations of identity in such a way as to reinvigorate and strengthen them so that they can withstand the shock of change. (23)

In addition, rigorous, responsible and relevant education is needed to meet today's more demanding tests of competence and higher standards of excellence. We must move beyond the notion that better education simply means wider access to formal learning and ensure that educational systems develop quality curricula that address issues confronting leaders and citizens in the 21st century. (24)

For too long, some or our schools have taught too many subjects as subsets of dogmatic commitments. Economic insights, for example, were treated as ideological choices – rather than exercises in scientific problem solving. (5)

What students know is therefore no longer the most important measure of an education. The true test is the ability of students and graduates to engage with what they do not know, and to work out a solution. They must also be able to reach conclusions that constitute the basis for informed judgements. The ability to make judgements that are grounded in solid information, and employ careful analysis, should be one of the most important goals for any educational endeavour. As students develop this capability, they can begin to grapple with the most important and difficult step: to learn to place such judgements in an ethical framework. (23)

To meet these and other educational needs, the Aga Khan has initiated a network of some 20 academies, located in third world countries, each designed to nurture and develop the best and brightest in the region for future leadership roles:
Our plans [for the Aga Khan Academies] begins with the realization that governments alone cannot meet the educational challenges of the 21st century. Nor can private institutions which are constrained by the necessity to earn a profit. The answer lies in the expanding role of civil society – in voluntary institutions which are not governmental but which are nonetheless dedicated to community values and the public good. We hope that the Aga Khan Academies will become leading exemplars of civil society's potential role. (25)

The Media

Being the proprietor of the leading media house in East Africa, with print and broadcast formats in three countries, and also being acutely sensitive to political issues and trends in developing countries, the Aga Khan provides keen insights into the role and opportunities for the media to assist in fostering stable democracies and fostering pluralistic attitudes:

Respect for press freedom, it seems to me, grows out of a respect for pluralism as a cornerstone of peace and progress. Pluralism implies a readiness to listen to many voices -- whether we agree with them or not -- and a readiness to embrace a rich diversity of cultures.

When our diversity divides us, the results can be tragic -- as we have seen in Rwanda, the Ivory Coast, the Democratic Republic of the Congo, the Sudan. But when we welcome diversity -- and the debate and dissent that goes with it -- we sow the seeds of stability and progress. (26)

The Aga Khan notes, that in almost every instance of armed conflict in developing countries over the past 15 years, "these internal conflicts were predictable because they were the culmination of a gradual deterioration in pluralist, inclusive governance":

The question I have is this: if these breakdowns in governance were predictable, why was the international community powerless to get engaged at the early stages to help arrest the deterioration and avoid the suffering that resulted? Secondly, are there common factors in the majority of these situations which are insufficiently recognized? I suggest to you that a major problem is that the industrialized world too often is severely lacking in credible information about the forces at play in the developing world. (2)

Too often, those who set the media agenda see it primarily as a business agenda. Too often the measure of media success is simply financial profit. I think this attitude is wrong – it often makes for manipulative media, distorting and misleading in a narrow pursuit of readers and ratings. It means that journalism is subordinated to entertainment, and that the need to inform must yield to the need to please. (26)
Responsible and relevant reporting is NOT the priority in that business model. Instead, the power of the press is used to turn traditional value systems on their heads – to take what is really quite unimportant and to make it seem very important, to take what is trivial and to make it seem titillating. In that context, what is most truly significant must yield to what is most readily saleable. (26) The media tell audiences what they want to know rather than what they ought to know. And what too many people want today is not to be informed -- but to be entertained. (5)

The damage that can be done by such distorted journalism is especially heavy in Africa, offending African value systems, distracting African energies and mis-serving African development. Manipulative journalism is not merely a nuisance [in Africa] – it can have destructive power. (26)

If the dominating assumption of media is that the rest of society is up to no good, that the best journalism is what many call 'gotcha' journalism, then the media will forfeit a more constructive and nobler role. (26)

I believe that the best journalists are NOT those who think they know everything, but those who are wise enough to know what they do not know. Excellence in journalism, it seems to me, stems not from arrogant judgmentalism but from intellectual humility. As a wise judge once put it: 'The spirit of liberty is the spirit that is not too sure that it is right.' (26)

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