He arrived in Corvallis from Jifna, a small town near Jerusalem, in 1958 with a scholarship to attend OSU for one year. Before he graduated in 1962, Palestinian George Abed would be the first international student to be elected OSU student body president. Meanwhile, as his academic focus changed, he would be increasingly fascinated by international economics.

His knack for leadership and his curiosity about how nations get economically healthy eventually would make him a top expert in building modern economic systems for struggling nations. He would spend most of three decades as a high-level troubleshooter for the International Monetary Fund.

Then, in 2005, Palestinian Authority President Mahmoud Abbas would call him home from a brief retirement and press him into one of the most daunting tasks an international banking expert could face.

As governor of the Palestinian Monetary Authority, the Palestinian equivalent of the U.S. Federal Reserve, Abed finds himself charged with creating a modern, reliable, corruption-free and internationally credible economic system for the Palestinian people, against a backdrop of one of the most intractable and complex conflicts in human history.

Abed was one of nine children. He worked for one year after high school to earn money for college and then applied to attend Oregon State on a one-year undergraduate exchange scholarship offered by the Institute of International Education.

“My English was very good and that helped in winning the scholarship,” he said via telephone from his home in Ramallah, on the West Bank just north of Jerusalem.

Why did he choose OSU?

“I spoke to a large number of tourists, and I had heard of Oregon and I was oriented towards engineering. Sputnik spiked an interest in all of us, and I had dabbled with rockets. But I had also written short stories and poetry.”

It helped that another Palestinian...
A 1961 Oregon Stater included a cover story about Abed winning the student body presidency, and a 1962 edition included photos of him at work as ASOSU president.

A student had received an Interfraternity Council (IFC) scholarship to study at Oregon State the year before. That program called for international students to be sponsored by and live in a different fraternity each term. Abed was in the same program and eventually joined Acacia House, of which he remains a proud and supportive member.

He started as a physics major but soon switched to engineering, partly at the encouragement of Elie Sifri, ‘60, the other Palestinian student who had come to Oregon State on scholarship; Sifri studied mechanical engineering.

“Engineering was hard,” Abed said. “They try to weed you out; less than half of the mechanical engineering students were left by the end of the year.”

Abed became interested in campus politics. A year as president of the junior class led to the creation of the “Action Party” and his campaign to become the first international student to be elected student body president. Abed and his running mate, Tom Schooley, ‘61, canvassed the campus for issues important to students. Abed won by a 152-vote margin with 43 percent of the student body voting. Schooley lost by 17 votes to Mike Vidos, ‘61, who became Abed’s vice president.

A 1961 Oregon Stater article quoted Abed: “Our campaign was hard hitting. We tried the serious approach because we felt it offered the students more. We talked to faculty and students about what they felt was a realistic platform. We got a good cross-section of opinion and then we campaigned the issues.”

“We got the closing hours for dormitories to be extended from 11 p.m. to midnight,” Abed recalled. “That was a big deal then!”

His administration encouraged progress in the areas of student parking: “We feel that the students have the right to use parking areas on campus in greater proportion comparable to the revenue obtained from student parking fees,” the library: “We feel that the library clos-
As governor of the Palestinian Monetary Authority, Abed sometimes does ceremonial duties such as cutting the ribbon at a bank opening.

He graduated with a bachelor’s degree in social science from the new School of Humanities and Social Sciences, which had begun accepting candidates in its program the year before.

“He was not known for economics at the time,” Abed said.

After graduation he worked for a couple of years in Portland for Oregon Gov. Mark Hatfield, promoting Oregon as “a high-tech and clean place.” He abandoned plans to pursue a law degree and instead headed to the University of California, Berkeley, to study economics. He received a doctorate in economics in 1972 and became an assistant professor of economics at Berkeley, focusing more and more on the question, “How do poor countries become rich?”

His international background and the focus of his post-doctoral studies made him an attractive hire for the International Monetary Fund. He went to work for the IMF in 1975. He worked there for more than 20 years, taking on special projects such as helping the pre-Saddam Hussein Iraqi government plan to manage money generated by its large oil fields.

He left the IMF for several years to set up and direct a humanitarian and development assistance foundation in Geneva, Switzerland, with the purpose of promoting small projects in the Middle East. Called The Welfare Foundation, it works closely with other regional and international organizations engaged in development work in the Palestinian community in the Middle East.

He helped found The Jerusalem Fund for Education & Community Development, an independent, nonprofit, non-political, non-sectarian organization based in Washington, D.C. It originally provided scholarships to students in America of Palestinian descent who wanted to study in Israel, the West Bank and abroad. It has grown into a think tank for information and analysis on the Palestinian territories, including cultural events, humanitarian links and publications aimed at educating the American public about Palestinian issues.

In 1993 Abed rejoined the IMF and eventually became adviser to and then director of its Middle East International Monetary Fund, one of 14 such directorships in the world. He led or lent advice to efforts to rebuild economic systems in strife-torn places such as the West Bank,
Abed, Afghanistan, East Timor, Kosovo, Iraq, Rwanda and several other African
nations.

Abed retired as special adviser to the managing director of the IMF in 2004. But
he soon was called back into action, this time by the new president of the Pale-
stinian National Authority, Mahmoud Abbas.

“He knew of me and pressed me to come back in 2005,” Abed said. Abbas
had been elected on a peace platform; he encouraged well-educated Palestinians
to contribute to the “Road Map” solution for peace with Israel by offering their ex-
pertise in the rebuilding of the West Bank and Gaza Strip.

Abed agreed to help.

The challenges of his position are many and deeply rooted. Historical and
often violent tensions between Israelis and Palestinians revolve around the
Jewish claim on the land as their biblical birthright and displaced Palestinians’
wish for self-determination. This June will mark 40 years since Israel began oc-
cupying the area that Palestinians consider to be their homeland. The Palestinian
Authority was set up in 1993 to operate in the West Bank and Gaza Strip, but
without sovereignty or political powers.

Many setbacks and much violence have inhibited the creation of a viable Pale-
stinian state that might exist peacefully alongside Israel.

Palestinian President Abbas is a member of the long-ruling Fatah faction, but
in January 2006 the rival and more militant Hamas group won victory in a
Palestinian parliamentary election, leading to a divided government. This led
to a boycott of international aid to the Palestinian Authority to pressure it to re-
nounce violence and cease its stridently anti-Israel rhetoric. It also led to tight re-
strictions on Palestinian monetary assets, for fear they would be used to fund ter-
rorist activities.

The Gaza Strip is one of the most densely populated areas in the world. Nearly
1.4 million people live in Gaza, which is just 25 miles long and six miles wide. Thirty-five miles separate the two

Palestinian territories.

Almost 500,000 of the 3.8 million Palest-
innians who live in the West Bank and
Gaza Strip are dependent on food aid. Some 4.2 million Palestinian refugees in
Jordan, Syria, Lebanon and the Palestin-
ian territories rely on the United Nations
for basic health care and education. Pal-
estinians have high unemployment, 44
percent live below poverty level, and
more than 4,400 Palestinians have died
in violent attacks since 2000.

In this setting Abed has forged

Abed conducts a press briefing during his tenure with the International Monetary Fund.
bank, independent of the government, the central bank Abed governs has even respected the international ban on transactions with his own Palestinian government.

“This was hard to do,” Abed says. “But politics have to be kept out of the banking system. It does not work if certain groups try to control the banks.”

Abed puts little credence in fears that money in his bank might finance terrorism.

“Since 2001, the international financial community has developed policies that control money laundering and financing of terrorists,” he said. “A committee set up by IMF oversees this and most countries have adopted regulations and laws stating that they do not engage in money laundering, and in the last few years, that has been extended to anti-terrorism.”

Abed is well on his way to completing his task of creating a secure, functioning banking system for the benefit of small business owners who rely on banks to give them stability, and for a government-to-be that might eventually take its place in the world as a modern, well-functioning nation.

He continues to rely heavily on his personal credibility and on the contacts he established during his years with the IMF.

“The governor of the central bank of Israel is a former college friend of mine,” Abed said. “He is an American who came back to Israel. We were friends when he was studying at MIT.”

A global traveler for most of his life, Abed maintains homes in Bethesda, Maryland, and Ramallah, West Bank, with his wife, Polla, whom he met and married while working in Portland after graduating from OSU. They have three sons, Hisham, Tariq and Taufiq, all of whom live in the United States.

Several members of his family still live in the Palestinian region. A brother, Easa Abed, is a 1966 OSU graduate and a retired engineer who has settled in Seattle.

Abed said more change would be needed before he would settle permanently in his homeland.

“If we had peace,” he said, “and Palestinians could come back to the new state, I could be part of that. I think we will leave a good legacy here, but I owe it to my family to settle somewhere permanently. It could be here or in the U.S.”

As for his personal plans, he wants “to focus on art and I hope to spend more time in Italy writing about early Renaissance art — religious art of the 13th through 16th centuries. That is my hobby, my hidden love.”

He also hopes to have time to return to his alma mater in the near future.

“Oregon State was a transformation for me in the sense that I came for a small visit for one year and discovered what college education was like in the U.S.” he said. “It really was amazing that a foreign student was able to do what I could do.”

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