

A World of Good

Terrorism presents an intractable problem to the global community. In the search for long-term

by Tricia Bisoux

Each time a terrorist attack happens, the news and images of the event are startling, disturbing, and frightening. People turn to their governments for plans of action, to their militaries for protection, and to their media for information. Business may be the last remedy to terrorism people consider—if they consider it at all.

Still, business has an incredible stake in the issue. It's a stake business schools may want to explore more thoroughly, says Judy Rodgers, executive director for the Center for Business as an Agent of World Benefit (BAWB). BAWB is located at the Weatherhead School of Management at Case Western Reserve University in Cleveland, Ohio. "The fact that the September 11, 2001, attacks were on the World Trade Center—a center of business and cultural interactions—wasn't accidental," she says. "That day was definitely a wakeup call for America and the private sector."

That wakeup call has led many observers and educators to view business skills, entrepreneurship, and enterprise as crucial weapons in the war on terrorism. Business education can use its resources to encourage students to discuss issues of terrorism through a business perspective, tap their aptitude for social entrepreneurship—and use their business skills to do a world of good.

The Power of Enterprise

Although analysts may disagree about the extent to which economics plays a role in terrorism, most agree that terrorism has an economic component. Addressing the economics of terror is something that business schools are particularly well-equipped to do, says David Bornstein, author of *How to Change the World: Social Entrepreneurs and the Power of New Ideas*.

"In business schools, students are taught how to create cultures within companies based on values that create meaning for people, cultures where people strive to behave in a way that is applauded and valued," says Bornstein. "Ironically, that's exactly what organizations that spawn terrorists do. So many young people are willing



to commit suicide and mass murder for Hamas because there's a perverse social status reinforcing that kind of behavior. Posters are printed and circulated, their families are compensated, and many are proud to be the mother or brother of a so-called martyr."

Changing that set of values presents no easy task. Success may hinge on providing other, more entrepreneurial opportunities to young people in struggling Middle Eastern economies,

Peacemaking, is currently involved in an entrepreneurship program involving Arabs and Israeli Jews. Subsidized by Israeli business leader Steff Wertheimer, the program aims not just to teach business, but to open lines of communication. "Such programs could be expanded to include Palestinians and thus contribute to both entrepreneurship and business cooperation in the region," Hashai says.

Likewise, a partnership between Tel Aviv University's

solutions, however, one important resource often may be overlooked: The business school classroom.

according to observers like Charlene Barshefsky, a U.S. ambassador under the Clinton administration. Now an attorney specializing in international transactions for law firm Wilmer Cutler Pickering in Washington, D.C., Barshefsky has advocated before Congress and in the media for stronger U.S. policies that promote trade with and within Middle Eastern countries. "It's difficult to imagine an alternative to terrorism that doesn't encompass economic development and opportunity," says Barshefsky. "If you're young with no job prospects and no possibility for growth opportunities, there's a substantial risk of alienation and frustration. When that risk is coupled with a cultural and religious stew, it's a very dangerous combination."

Barshefsky adds that one important step in addressing the economic factors of terrorism is to establish more business courses and discussions that target Middle Eastern markets. By covering topics such as terrorist and antiterrorist organizational hierarchy, communication across Arab cultures, and management-based solutions within struggling countries, business schools themselves could be significant weapons in the "war on terrorism."

"Business schools tend to make notions of investment a rather sterile subject," Barshefsky says. "But the more students understand the power of investment as a means toward development, and development as a means toward social and political stability, the better. In the case of microcredit, for instance, small investments can have profound effects and larger investments even more. The broader effect of investment in emerging markets and lesser developed countries is a topic that business schools should stress to their students."

Teaching the Peace

Some business schools are already working to build bridges between citizens of clashing cultures—specifically Palestinians and Israelis. Niron Hashai, a business professor at The Hebrew University's Jerusalem School of Business and co-editor of the book *International Trade and the Economics of*

Recanati Graduate School of Business Administration and Northwestern University's Kellogg School of Management in Evanston, Illinois, also brings together Israelis, Palestinians, and Jordanians in an English language executive MBA program. The program gives scholarship money to Palestinian students and encourages joint projects among students from different backgrounds. It is a cross-cultural program at a time when, and at a place where, crossing cultures has never been more important, explains Simon Benninga, Recanati's dean.

"It's not true that we're going to bring peace between the Jews and Arabs by encouraging people to study business," says Benninga. "But there are a lot of commonalities between Palestinians and Israelis—we are not a society that constantly lives off terrorism. People come to this program because they're looking for a place to make connections and start dialogues."

Hashai of Hebrew University agrees that much could be achieved simply by designing a curriculum to accommodate such interaction and channeling additional funds to educating Palestinians and other Arab groups at top U.S. and European schools. Collaboration among Arab and American/European institutions would allow students from Middle Eastern countries access to more high-quality business programs without having to leave their homes, Hashai emphasizes. Upon completion of the programs, participants could use their skills to develop and rebuild their countries' economic infrastructures.

"If we offer Palestinians the proper business education, they are more likely to lead their communities to economic growth," says Hashai. "This may be the only way to fight fundamentalism and terror."

For her part, Rodgers of BAWB would like to see business schools expand students' sense of "affirmative inquiry," a term BAWB has coined, to focus on positive changes they can effect on these issues, rather than on current negative realities. "If you inquire into acts of terrorism, you put the focus on terrorism," says Rodgers. "We want to inquire into what it is

"Our voice and passion are



A Business Plan for Peace

Business students are often called upon to design creative solutions to larger-than-life problems. But help put an end to suicide bombings on the West Bank? That may be a problem that most students, no matter how inventive, would be unwilling to confront.

Bryan Berkett, Uri Pomerantz, and Hisham Jabi, however, aren't "most students." When the three won the Stanford Social Venture Business Competition last year with their business plan for Jozoor Microfinance, their ultimate goal was nothing less than to bring an end to violence between Israelis and Palestinians. Jozoor will provide business training and microloans to young Palestinians to help them start their own businesses—and, the three hope, make them less likely to join extremist groups.

What makes this collaboration more amazing is that, by all logic, the three should be adversaries, not allies. Berkett is an American Jew from Beverly Hills, California. Pomerantz is an Israeli-American whose aunt was killed in a terrorist attack in Israel. And Jabi is a Palestinian who spent time in an Israeli prison and lost a cousin in an Israeli attack.

Berkett, who earned a bachelor's degree in English from New York City's Columbia University, initially conceived the idea behind their plan after watching a documentary on the Israeli-Palestinian conflict in an Islamic studies course. The documentary profiled a young Palestinian boy who noted that he "dreamed of becoming a suicide bomber." For that to be this boy's idea of ultimate achievement disturbed Berkett, so much so that he began thinking of ways he could provide boys like that other goals to pursue, such as self-directed business.

The success of the Grameen Bank's microloans in Bangladesh inspired him to think microcredit might also work to fight terrorism. "The U.N. has passed a resolution encouraging all nongovernmental organizations to utilize microfinancing to fight poverty," says Berkett. "I thought, why can't we take this valuable tool for poverty alleviation and use it in the Palestinian market?"

At the same time, Berkett's friend Pomerantz was pursuing undergraduate degrees in political science and computer science at Stanford University in California. When Berkett asked Pomerantz if he would be interested in joining the team, Pomerantz quickly agreed. "I was tired of waiting for the politicians and the military to work their magic," he says.

They soon heard about the Goldman Sachs-Berkeley-Columbia competition in social entrepreneurship and wanted to enter their business plan. There was only one catch: The competition required at least one of the participants to be a current business student, and neither Berkett nor Pomerantz had studied business. They quickly began searching for a third partner. One friend, also Jewish, turned them down flat, vowing that he "would never help a Palestinian."

Through other contacts, they found Jabi, who was studying at Claremont Graduate University's Drucker Graduate School of Management in California on a Clinton Scholarship. In spite of his past experience, Jabi agreed to join the group. "I appre-



Social entrepreneurs Uri Pomerantz and Hisham Jabi (facing camera) with Bryan Berkett.

ciate the struggle against Israeli occupation, but I believe that Palestinians can achieve what they want to achieve without violence," says Jabi.

Jozoor, which means "roots" in Arabic, went on to win first prize and \$7,500 in the Stanford Social Entrepreneur's Challenge and become a finalist in the Goldman Sachs competition. Until recently, Berkett, who is based in Southern California and makes frequent trips to the Middle East, served as Jozoor's executive director. He soon plans to return to school to earn a joint JD/MBA degree. Pomerantz works for Microsoft in Waltham, Massachusetts; he served as Jozoor's public relations director. Jabi received his MBA at Claremont and finished a master's degree in information technology last

stronger than Ariel Sharon's tanks. We are a grassroots movement, and we will succeed."

—Hisham Jabi, Jozoor Microfinance

December; he handled business strategy and communications within the Palestinian community.

This September, Jozoor split into two separate entities, Berkett explains. Jabi has begun a new business under the Jozoor name that will work on raising more capital and developing a long-term plan. Berkett and Pomerantz will continue their work under a new company name—"Shurush," which means "roots" in both Arabic and Hebrew—and plan to begin lending immediately. Under Shurush, they have partnered with the East Jerusalem YMCA to support the organization in disbursing the first set of loans this year.

"We are in the process of bringing in a number of Muslims and Palestinians to get them actively involved on the board, as potential partners and as our chief operating officer," Berkett explains. "And in the next six months, we'd like to take our existing loan program and turn it into an actual investment program—right now, people can donate money, but they cannot invest. We'd like to create a socially responsible investment program, where people can invest money in our programs and get a one percent rate of return which would then be invested in the Palestinian economy."

To make Jozoor and Shurush work, the three know they cannot rely on a support system in the U.S. Instead, they must build a support system within the Palestinian community. "In the U.S., the most important issue is often financial support. But in Palestine, the supporting system is the social system," Jabi explains. "You have to be very careful to take into account the culture."

Their efforts have become even more important as the Palestinians' access to larger cities in Israel has become blocked due to restrictions on their travel. "People have been forced to do business locally," Berkett says. "They will need services to open in their own villages, from bakeries to barber shops."

To illustrate the spirit behind the efforts of Jozoor and Shurush, the partners cite a quotation from Margaret Mead: "Never doubt that a small group of thoughtful committed citizens can change the world; indeed, it's the only thing that ever has." It's their message to those who believe small ventures such as theirs can't have an impact.

"Our voice and passion are stronger than Ariel Sharon's tanks," Jabi says. "We are a grassroots movement, and we will succeed."

To read more about Shurush Microfinance and Jozoor Microfinance, visit www.shurush.org and www.jozoor.org.

that brings life into the world and what will create a context in which terrorism is the least desirable alternative."

'A Drop in the Ocean'

Even as Middle Eastern countries continue to cope with unrest, their importance to the global marketplace is undeniable. Therefore, multicultural study that explores the Arab perspective has never been more valuable to global stability and security. It's an area where business schools could have substantial impact, says Timothy Fort, associate professor of business law and business ethics at the University of Michigan's Stephen M. Ross School of Business in Ann Arbor. He is a strong advocate for business contributing to a global sustainable peace.

"In the past, most educators thought the market would work these things out on its own, but that's not the case," Fort says. "Business schools should foster an atmosphere where it's safe for students and faculty to ask the question, 'What can we do?' We've shown a correlation between business activity and the prevalence of violence. We must give students the chance to study these connections more closely."

Fort recognizes that business educators may be reluctant to encourage students to tackle what may seem to be the ultimate Sisyphean task. Any venture they propose may seem to be the proverbial "drop in the ocean" when it comes to stopping terrorism. Even so, he believes that such an attitude is counterproductive and misses the impact individuals can have on any problem, no matter how great.

"When you look at any large problem, *everything's* just a drop in the ocean," Fort argues. He refers to the first conference he attended for corporate governance and sustainable peace, when these issues were first coming to the fore. "There was a parade of people from nongovernmental organizations and corporations. They all said, 'We don't have the authority, we don't have the power.' They pointed around the room at each other, saying, 'You're the one with the power,'" Fort recalls. "They all believed these issues were too big for one company."

The fact remains that these issues will require collective efforts, big and small, say these educators. The actions of business schools, faculty, and students may seem insignificant when balanced against a phenomenon as deep-rooted and wide-ranging as terrorism. Nevertheless, when small efforts are continually conceived and collectively sustained, many people believe they can effect lasting and significant change.

For more information on the initiatives of the Center for Business as an Agent of World Benefit and its practice of "affirmative inquiry," visit its portal at worldbenefit.case.edu. 