

The Dimensions of Peace

When students learn how commerce can lift communities out of poverty, rebuild nations after war, and create alliances between countries, they get a glimpse of what business can do to promote world peace.

by Sharon Shinn

Nations that share profitable enterprises are less likely to war against each other. Individuals with wealth and status have a stake in avoiding conflict. Developing countries whose poorest citizens can engage in entrepreneurial activity have a chance to lift themselves out of poverty. If, as many business leaders believe, commercial enterprise can promote peace, then business schools can play a part in improving the world. By teaching students the principles and consequences of business, they can demonstrate the powerful connection between business and peace.

Many business educators are already in the vanguard of the “peace through commerce” movement, including David Cooperrider at Case Western Reserve University in Cleveland, Ohio. “Business could be the most important ground and force for peace,” Cooperrider argues in a foreword he wrote to the 2006 book *Appreciative Intelligence*. “The 21st century is going to be a time when we learn to unite the dynamism and entrepreneurial capacities of good business with the global issues of our day.” Cooperrider is founder and director of the school’s University Center for Business as an Agent of World Benefit, a global forum for finding and disseminating information about ways to improve business and the human condition.

Case Western is among the dozens of schools that shared information about their peace-based initiatives with AACSB International in a recent member survey. AACSB’s board of directors launched its Peace Through Commerce Task Force last summer to explore the relevance of peace-related issues to business schools and to collect and share data on what business schools can do. This survey was one of the task force’s initial steps.

AACSB’s international structure makes it particularly suited to promoting world peace through business, notes Richard E. Sorensen, dean of Virginia Tech’s Pamplin College of Business in Blacksburg, Virginia, and AACSB’s chairman of the board. With more than 1,000 academic members from all over the world—including 515 educational institutions in 28 nations—AACSB is truly a global force, he points out. “Through AACSB, people from different cultures have learned to work cooperatively together for our common goal. Through our ‘thought leadership’ initiative, we are now accepting the challenge to work cooperatively together toward an even higher goal of enabling peace through commerce.”

AACSB members who responded to the Peace Through Commerce survey described a wide variety of efforts both massive and intimate—everything from helping former Russian provinces develop degreed business education programs to helping Haitian villagers set up a bakery. The following stories, drawn from the surveys, underscore the many diverse and powerful ways that business schools can contribute to peace.



Georgia State University

New Markets, New Schools

Peace begins with education, at least at Georgia State University's J. Mack Robinson College of Business in Atlanta. Led by professor of management information systems Bijan Fazlollahi, the school has partnered with three universities in Azerbaijan and the Republic of Georgia to found management education programs. The goal was to help men and women of the former Russian provinces develop the skills to start their own businesses or take positions with existing companies and thereby help the region move to a free market economy.

Fazlollahi first grew interested in the region as a 1992 Fulbright scholar visiting shortly after Azerbaijan had become an independent country. A few years later, he helped bring nine Azerbaijan exchange students to the U.S. For the next decade, Fazlollahi worked with universities in Azerbaijan and Georgia so they could organize degree-granting business schools: an MBA program at Khazar University in Baku, Azerbaijan; the Caucasus School of Business at the Georgian Technical University and Tbilisi State University in Tbilisi in Georgia; and a management program at the Azerbaijan State Oil Academy in Baku. In each case, the Robinson College trained faculty and administrators in Atlanta with the goal of enabling them to educate students in their own countries.

"We have done these things *with* them, not *for* them, which is a very important strategy," Fazlollahi says. "All the programs are adapted to local needs. Each university offers its own degrees, and they are financially sustained."

Clearly it's a major undertaking to prepare enough faculty to run a business school, and Fazlollahi explains how the process worked with the Caucasus School. First, GSU recruited faculty in related fields—such as mathematics or psychology—and brought them to Atlanta to train them in fields such as finance and organizational behavior. Faculty who passed specific courses at GSU were certified as being competent to teach those subjects. Fazlollahi notes that younger faculty, including doctoral students, were particularly good choices for undergoing this process.

Within two years, the first class of MBAs graduated from the Caucasus School, and many of them were brought to Atlanta so they too could be educated as teachers. Today the Caucasus School has more than 1,000 students in its MBA/BBA program and has been accredited by CEEMAN. A recent grant from the U.S. Department of State is allowing Fazlollahi to bring five Caucasus faculty members to Atlanta and train them in GSU's doctoral program, so the school

soon will begin offering Ph.D.s. Meanwhile, the Caucasus School has become involved in outreach programs of its own. Recently, in cooperation with Georgia State, the school completed a leadership training program for 255 businesswomen. Three top graduates were selected to complete a monthlong internship and mentorship in Atlanta.

Funding for these programs has come from a variety of sources, including the U.S. Agency for International Development (USAID), the Eurasia Foundation, and the U.S. State Department. Other school administrators who want to add a "peace dimension" to their programs, but don't know where to begin, should first consider what partnerships they already have in place, suggests H. Fenwick Huss, dean of the Robinson College. "For example, they may have a relationship in a developed country that is doing work in transitioning areas. They can then see which of those activities the university can be involved in."

He also recommends researching projects that are being funded by third-party sources such as USAID. The organization's Web site (www.usaid.gov) contains information about what kinds of projects it's interested in and in what parts of the world.



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Judy Rodgers, Center for Business as an Agent of World Benefit, Case Western Reserve University

“Some of our largest recent funding packages have been in direct response to requests for proposals from USAID,” Huss says. “In 2006, the U.S. government’s budget for foreign aid is \$9.1 billion. Some of the focus areas are business trade and investment, development assistance, and education. Those are areas where universities have both expertise and interest.”

At Robinson, the programs that have resulted from such initiatives have promoted peace in several significant ways, while benefiting faculty at both the Caucasus and Robinson schools, Huss says. “The Azerbaijan faculty are exposed to the American way of life, the workings of the market economy, and modern teaching methodologies. They return as ambassadors for a positive relationship between their country and the U.S. Their students also are influenced by a feeling of good will and desire for cooperation with the U.S.,” he says.

In turn, Robinson faculty have become more skillful at understanding and teaching about cultural differences, he adds. “They have developed a worldview of global issues. Better understanding reduces misconceptions and improves the chances for peace.”

Case Western Reserve University

Changing the World

Business leaders should not just consider how to achieve peace through commerce, but how to participate in all the sweeping changes needed to save the world. That’s the philosophy at Case Western’s Weatherhead School of Management, particularly at its Center for Business as an Agent of World Benefit (B.A.W.B.). The B.A.W.B. considers how to solve issues such as those outlined in the U.N.’s Millennium Development Goals: eradicating poverty, educating children, promoting gender equality, combating HIV/AIDS, ensuring environmental stability, and more. (For a full list, see www.un.org/millenniumgoals/.)

As society attempts to correct its greatest problems, “business has to be at the table,” says Judy Rodgers, executive director of the B.A.W.B. But instead of trying to convince business leaders to practice philanthropy or be socially responsible, the B.A.W.B. focuses on mutuality. “There are clear advantages to business in making sure the bottom of the pyramid has money to participate in the economy,” Rodgers says. “There are clear advantages to business in doing business where there aren’t wars. In having women educated. In tending to ecological issues. In taking care of HIV/AIDS.”

One of B.A.W.B.’s main goals is to *prove* these advantages exist. Thus it has created the World Inquiry, a Web-based worldwide search for stories of businesses that seek to make

a profit and improve the world. It maintains an Innovation Bank of such stories on its Web site (worldbenefit.case.edu/). Some are being turned into case studies and mini-documentaries that professors can use in class. The hope is to eventually compile 1,000 such examples.

“People will tell you that it’s the occasional odd business that does this, but that’s not what we’re finding,” says Rodgers. She cites intriguing examples: The food company PeaceWorks requires that all of its products contain ingredients from both sides of the Israeli/Palestinian divide. The high-end restaurant group Cabbages & Condoms in Thailand uses condoms in the decor and makes them available at cash registers to promote the idea that unless talk of condoms is as casual as talk of cabbages, HIV/AIDS will run rampant.

The B.A.W.B. also hosts a series of conferences that bring together practitioners and academicians seeking to combine the interests of business and society. For example, last fall’s summit on “The Future of Management Education at the Intersection of Business & Society” was a pilot project Weatherhead designed as part of its commitment to the Aspen Institute’s Teaching Innovation Project. On October 23 to 25, 2006, Case Western will host “Management Knowledge Leading Positive Change,” a conference it has planned in conjunction with The Academy of Management and the United Nations Global Compact. About 300 people are expected to attend, while thousands join in via a simultaneous Webcast.

Case is also exploring ways to change the world by changing the way it delivers management education, specifically through its launch of the Global Business Studies Institute (GBSI). The “school within a school” will be devoted to research, teaching, and service on business and international relations. It will run alongside three similar schools that will focus on social responsibility, entrepreneurship, and health management. The GBSI is not devoted exclusively to world betterment, says Myron Roomkin, dean and Albert J. Weatherhead III Professor of Management at Case Western. But it certainly will be “training a generation of managers who understand the culture, economics, and geopolitics pertinent to operating in a global economy.”

The GBSI will focus its research on small to medium enterprises that are beginning to globalize operations, providing a network of resources to businesses in Ohio and beyond. It also will offer graduate, undergraduate, and executive education programs. In conjunction with the B.A.W.B., the “school within a school” will be aimed at teaching today’s students how to change the world—through business.

“At this point, Walt Disney has become a prophet. It is a small world after all.”

D. Steven White, University of Massachusetts in Dartmouth

Fairfield University

The Benefits of Bread

Winston Tellis is a professor of information systems, but he has also learned a lot about baking bread. For about five years, he has been involved in the startup and ongoing operations of a rural bakery in the Haitian village of Fondwa—and at every step he has sought the participation of his IS students at Fairfield University’s Charles F. Dolan School of Business in Connecticut.

The story begins more than a decade ago when Tellis joined a group of management experts who were advising a microfinance organization in Haiti. As the organization grew, Tellis helped it acquire hardware and software; and, when the bank grew large enough, students in his networking class designed a local area network.

A few years ago, the microfinance bank asked Tellis to help one of its clients, a peasants’ association in Fondwa that wanted to start its own bakery. Tellis and an MBA class did the basic market research to determine the feasibility of the enterprise, gauging population size, quantity of bread purchased, cost of raw materials, and availability of materials. Students devised a business plan, and Tellis went on a site visit.

He admits the obstacles were daunting. The village was situated about an hour from the main paved road where the bakers would be able to sell their products at a twice-weekly market. There was no electricity, no running water, and no storage facility, although the microfinance loan would allow the association to purchase a building near the market. On the positive side, there were plenty of customers who had no other immediate source of bread. The only alternate bakeries were located in Port au Prince—and it took more than a day to complete the round trip between the city and the village.

Tellis and his students also conducted market research on the technological aspects of running the bakery. Tellis steered the association away from acquiring a wood-burning oven because fuel is so scarce in the largely deforested country. Solar power was rejected as having insufficient energy for their particular needs, so ultimately the association purchased a generator to produce electricity for lighting and machinery. The locally designed oven ran on diesel fuel.

The bakery was successful at first, and the association quickly paid off its debt. But a few years after its founding, the bakery shut down due to rising costs and poor management strategies. “It dawned on me that we had transferred the technology successfully, but we did not transfer processes,” Tellis says.

His next step was to interview a Port au Prince baker to

learn more efficient ways of running the bakery, storing supplies, and producing bread. Operations recently resumed, Tellis says, and the villagers “are ecstatic.”

Although the unrest in Haiti has prevented Tellis from taking students with him on site visits, they have participated at every stage, he says. And while he has involved his students in informational systems courses, he believes students in almost any management class could benefit from such projects.

“I teach a course called Technology and Society specifically so I can get into these topics,” he says. “And I take students to inner city areas where they will be made to feel like minorities—that’s how they ought to feel, because the rest of the world is, in fact, the majority.” Students who understand both the “reality and compassion” aspects of business might be better qualified to be leaders, he says, as they are less selfish and more focused on the necessities of doing business today.

University of Massachusetts—Dartmouth

Charitable Outreach



Students at the University of Massachusetts-Dartmouth helped redesign the Web site for Fairloom, a charity that sells work by Brazilian artisans.

The region around the University of Massachusetts in Dartmouth has the largest concentration of Portuguese-speaking people in the U.S.—400,000 people of Portuguese heritage and 100,000 Brazilians. Thus, when professors at the university’s Charlton College of Business look for

international outreach programs, they often focus on the Lusophone countries such as Brazil, Portugal, the Azores, and Cape Verde.

That's particularly true for professors D. Steven White and Godwin Ariguzo, who are deeply involved in the school's International Business Association. Through the IBA, juniors, seniors, and grad students annually embark on trips outside the U.S. to do pro bono marketing work for clients. White and Ariguzo were instantly interested when they heard a proposal to have business students help out a newly founded charitable enterprise in an impoverished Brazilian community.

The charity, Fairloom, had been organized to help artisans in the region make and sell Brazilian bobbin-lace so they could use a portion of the profits to support educational programs. Fairloom's partner community is located in the village of Fortaleza and includes 250 families of mostly mothers and children.

During the 2005–2006 school year, students in marketing and information systems classes made Fairloom the heart of their projects-based courses. Seniors in the international marketing course formed eight teams, many of them featuring Brazilian or Portuguese-speaking members, and developed eight separate business plans for Fairloom. Students in a principles of marketing class devised fund-raising tactics, while seniors in an MIS class upgraded the organization's Web site and developed its e-commerce capabilities.

Additionally, over spring break in 2006, White and Ariguzo took about 30 graduate and undergraduate students to Fortaleza to do volunteer work. They helped the women there learn conversational English and business principles while building a production studio. When the students returned, they prepared proposals for how Fairloom can raise more funds.

Fairloom's founder, Annie Doran, believes working with the charity will have a profound effect on the students. "They're on the verge of entering the professional world, and I want them to see the people they're going to be affecting," she says. "These experiences create a different kind of meaning and memory. I think the experience sticks with them."

Working on the Fairloom project, says Ariguzo, has taught students that "business is not all about accumulation of wealth. Once you make money, what do you do with it? How do you make decisions as you prosper?"

It has also taught students that a local enterprise can have a global impact. Says White, "At this point, Walt Disney has

become a prophet. It *is* a small world after all." Students at the Charlton College have learned that lesson in the most dramatic fashion as they use their skills to bring powerful good into the world.

SDA Bocconi

Fund-Raising for Good Works



Raising money for UNICEF has become a tradition among MBA students at SDA Bocconi in Milan, Italy. Since 2000, students have organized an annual fund-raising event to benefit a particular UNICEF charity, collecting upwards of €50,000—about \$60,600 in U.S. dollars—each year. Money has gone to fight child labor in Nepal, develop school programs in Iraq, benefit street children in Brazil, provide water for schools in Angola, and educate girls in Eritrea.

Students in the SDA Bocconi Ethica Club orchestrate the fund-raising activities, meeting with UNICEF representatives to discuss available projects and then raising student awareness of the charitable cause. Club members raise money by finding corporate sponsors, selling tickets to an annual event, and organizing raffles.

Students annually raise money for another charity by producing the "SDA Bocconi MBA Calendar," according to Andrea Gasparri, the school's managing director. The calendar

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John L. Graham, University of California in Irvine

features pictures taken by staff, students, and faculty, all on a particular theme, and it is sold both inside and outside the school. “Last year, students raised €4,500 and donated them to Mahak, an NGO in Tehran for the cure of children’s cancer,” says Gasparri. “This year the money will go to Médecins sans Frontières for a water-sanitation project.”

Such projects are challenging but rewarding for students, Gasparri says. “Students who choose to take part in these activities are deeply motivated and sensitive to ethical issues, as well to charity and fund-raising initiatives. These activities are quite demanding in terms of time and effort, and they require strong managerial capabilities. Students must fit them in while following a busy MBA agenda.”

Yet he clearly believes students learn a great deal from organizing conferences, looking for sponsors, and seeking out key guest speakers, partially because these activities help them make contacts with top corporate managers. “They can put into practice the lessons they are learning while also creating a strong network,” he says.

Students involved in the benefit fund raisers also get an intensive course in corporate social responsibility, Garparri believes. “An ethical approach to business is fundamental for managers who want to create a healthy working environment and contribute to the creation of a positive corporate image and identity,” he says.

University of California–Irvine

Peace After War

Communities devastated by war face huge challenges even once that war is over. “Declaring peace is very different from building peace after the fighting has stopped,” says John L. Graham, professor of international business at The Paul Merage School of Business, University of California in Irvine, and director of the Center for Citizen Peacebuilding. “Outsiders can repair roads, houses, and communications. But the people who have survived the conflict must eventually rebuild their own communities if peace is to persist.”

Graham’s dream is to bring American business students to Northern Ireland to help rebuild communities that have been decimated by war. In 2004 he successfully completed a pilot program between UCI and the University of Ulster, taking 21 MBA students to Dublin and Belfast for a four-day international residential course. After meeting with University of Ulster graduate business students and managers, teams of students developed business plans for two commercial businesses and six social enterprises in Ireland.

The 2004 program involved a relatively short visit, but Graham is working to launch an expanded peace-building program that would take about 30 students overseas for a semester. Teams of students from UCI and the University of Ulster would develop five-year business plans for clients who manage social and commercial enterprises in Northern Ireland. Ultimately, the students would match the firms with potential investors from California.

Any business school can promote peace in any region from Guatemala to Bosnia-Herzegovina, Graham believes, if they use a similar model. One key benefit is that programs like this teach students business ethics in the most dramatic way possible.

“In the finance classes offered in this country, we teach students that selfishness makes a lot of sense,” says Graham. “But business ethics courses teach students that they have to consider a larger constituency, including poor people. Those two lessons are inconsistent. If we take students to post-conflict regions where inhabitants are trying to rebuild their community, I think it broadens their perspective on what’s important.”

The other benefits could have even more impact. “If the MBA students do a good job, then enterprises in the war-torn communities will survive and thrive,” he says. “Jobs will be created, and entrepreneurship will be stimulated. Additionally, the MBA students themselves will learn about international business and social responsibility—which will be key for them in building ethical enterprises here in the United States.

“Finally, both sides learn to understand and befriend one another,” says Graham. “Social relationships can evolve into long-lasting commercial relationships that strengthen peace.”

Peace in Our Time

While Graham is working on one specific plan to promote peace through commerce, he believes the effects can be dramatic and worldwide. In a chapter he contributed to the 2006 book *War and Reconciliation*, he notes, “Trade causes peace through increased understanding and interdependence. *Less* trade causes *less* of both these things.” Instead of dropping bombs on Middle Eastern countries, he says, “we should be giving them computers and Internet connections. The cost of a cruise missile is about the same as 1,000 Apple computers! And, at the most fundamental level, coercion does not work. Exchange does.”

To successfully promote the notion of peace through commerce, schools might need to undergo a fundamental

shift in what they emphasize, believes Tellis of Fairfield University. For instance, he says, most schools groom students to think that a desk in a corner office is the top goal. “We should probably encourage our students to go to a service experience before they go into the real world,” he says. “Even if only 10 percent of the students gained anything from the experience, the world would be a little better place.”


But there’s danger in that approach, too, warns Roomkin of Case Western’s Weatherhead School. By producing a generation of business graduates who passionately believe in sustainable development, corporate social responsibility, and the infallibility of peace through commerce, schools might be preparing those graduates for a frustrating working life.

“The incentive systems aren’t well aligned,” Roomkin says. “If we take in students who want to change the world, they may have to pay an atrocious price financially or personally to have jobs that allow them to do that. Unless

organizations find ways to integrate social responsibility into the job descriptions of every worker, this idea isn’t going to go anywhere.”

That being said, Roomkin still feels hope, especially if business schools promote the agenda of social responsibility. “If we address people’s underlying causes of conflict—hunger, disenfranchisement, health—we have a chance at playing a role in commerce and leading the peace,” he says. “But if business schools don’t fuel the fire, then organizations will have even less reason to change. And unless organizations change, peace through commerce is not going to work.”

While business must be involved in the solutions to the world’s problems, says Rodgers of Case Western, “you can’t talk about business without talking about the education of business leaders.” And if today’s business students are taught how to change the world, surely peace will be more than just a concept they learn in class. **Z**



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