



## **BUILDING AN ARAB KNOWLEDGE SOCIETY: HOW BUSINESS CAN HELP**

*Kristin M. Lord, December 12, 2007*

Arab countries, as a group, lag other world regions in building a knowledge society. In the areas of education and training, scientific research, technological innovation, and knowledge-driven business, the region falls short of countries at similar levels of development. There *is* positive news to report, including some promising and well-funded new initiatives. Yet, the needs remain urgent. Other regions continue to pull ahead and, according to World Bank reports, the Arab world must create 80 million new jobs over the next 15 years just to keep up with population growth, let alone address chronic underemployment. To compete effectively in the global economy -- and head off major social and economic disruptions -- the region must construct newly dynamic economies built on the creative potential of its people.

The United States is well positioned to contribute to this effort and has a strong self interest in doing so. Though change must come from within the Arab world, Americans can be valuable partners. The United States remains a respected leader in science, technology, higher education, and industry – essential components of the knowledge society. Such partnerships support U.S. national security interests by contributing to a vibrant Middle East prepared to meet future challenges, and by building a dense network of positive relationships in a region where the U.S. government is currently distrusted. They also support U.S. commercial interests in key emerging markets where foreign competitors are thriving.

To address these very issues, the Brookings Project on U.S. Relations with the Islamic World at the Saban Center for Middle East Policy co-sponsored a workshop on December 11, 2007, with Business for Diplomatic Action on “Strengthening Science and Technology Engagement with the Arab World: Perspectives from Business.” Twenty-four representatives from major companies, business organizations, scientific organizations, the U.S. State Department, and Brookings evaluated why companies engage in science and technology (S&T) partnerships, what they hope to achieve, and what would facilitate deeper, more frequent, and even more productive engagement. This memo summarizes the group’s conclusions, presents practical tips for those seeking to build public-private partnerships, and identifies both challenges and opportunities ahead.

### **S&T engagement: What’s in it for business?**

Some companies already support extensive science and technology engagement in the Arab Middle East. These projects include S&T education and training, professional exchanges, research, and public outreach. They also take many forms. In addition to traditional business activities, a few examples include long-term educational programs, short technical training sessions, sponsorship of science clubs for young people, internships for local



students, support for scientists and engineers, donations of equipment and expertise, K-12 educational outreach, and both short-term and long-term assignments of company staff to work with relevant organizations overseas.

Participants gave numerous explanations for supporting these initiatives:

- Global companies have an interest in being good corporate citizens and these projects address local needs and interests.
- These projects benefit core business interests by spreading awareness of products, services, and brands.
- S&T initiatives bring new talent to light.
- The projects build relationships in increasingly important markets.
- Supporting these projects increases access to research and technology.
- Education and training programs develop human potential and, in so doing, create more potential employees and customers.
- Projects build local infrastructure and capacity, contributing to a better business climate.
- Companies learn from their experiences, benefiting the business as a whole.

S&T engagement can hold unanticipated rewards. One Fortune 100 company representative was surprised to discover a high level of skills in one Arab country where the company performed significant philanthropic work. The company then invested in a small customer service center, which outperformed many other centers worldwide. As a result of that experience, the company is investing more in a country where it had not seen investment opportunities before.

### **How to construct better public-private partnerships**

Business representatives at the workshop emphasized the benefits of working in partnerships with government agencies (American and foreign) as well as non-governmental organizations. However, they offered these practical words of advice:

- 1) Don't just expect companies to write a check. Most companies want to participate in truly collaborative projects.
- 2) Demonstrate the impact the project will have on local communities.
- 3) Be clear about what value the company will bring to the partnership and what specific role the company will play as the project unfolds.
- 4) Take the time to learn about the company and how it will benefit from the partnership.
- 5) Explain what valuable knowledge and relationships the company will gain.

- 6) Protect business from bureaucratic delays. Get any needed clearances and high-level support early on.
- 7) Understand that many different parts of companies are interested in S&T engagement with Arab countries – but have different reasons for doing so. Corporate foundations and community relations offices are interested in certain activities; R&D offices and business divisions are interested in others. Each company is different, so research and persistence is required.
- 8) Frame requests to reflect the interests of not only the company but also the relevant division of that company.
- 9) Focus on “big ideas” that will excite and energize companies and their constituents.

Though companies get hundreds of proposals for partnerships and projects, many are not a good match. Indeed, the representative of one major U.S. company noted that his company sometimes has trouble finding appropriate partners and must go out and find them.

### **There are many obstacles . . .**

Participants agreed on the value of expanding S&T engagement with Arab countries but noted several obstacles. These included:

- the need to reform **American visa policies**. Companies want more flexible visa policies to bring Arabs to the United States for education and training, internships, rotations in U.S. corporate offices, and opportunities to try out high-end products
- better information about the **best practices and experiences of other companies** engaged in S&T cooperation with Arab countries, thereby reducing the investment necessary for newcomers
- **better information and analysis** of the rapidly evolving educational system, workforce, and “business ecosystem” in the Arab Middle East
- **insufficient infrastructure**, adherence to global standards and laboratory practices, accreditations, and employee skills
- **concerns about national governance**, insufficient pluralism, weak civil society, and government censorship
- **insufficient English** language skills in the region
- **lack of labor mobility**
- the scientific, engineering, and technical **education offered by universities is not attuned to market needs**
- **negative images of Arabs** held by some Americans
- the need for partners to understand companies’ **requirement to comply with U.S. laws** and regulations regarding export controls, transparency, immigration, and visas
- the need for government agencies, non-governmental organizations, and think tanks to **engage the business community outside Washington DC**.



## **But opportunities abound**

Despite these obstacles, participants also identified numerous reasons for optimism. Throughout the Arab Middle East, they see new recognition of the need to build a knowledge society and address shortcomings in education, workforce training, science and innovation, and industry. They see growing corporate interest in investing in the region. This shared interest strengthens the will to engage and invest by governments and companies alike.

Participants also called attention to specific opportunities:

- Though educational reform is slow and political, there are myriad opportunities to facilitate education and training outside of the formal education system. These opportunities include special programs for youth, scientists and engineers, and “high potential” executives.
- Companies can leverage the widespread interest in entertainment, including educational television programs, websites, blogs, and podcasts.
- Arab-Americans who work in the business world represent a significant but under-tapped resource for building bridges.
- There is a strong culture of giving back within many American companies currently profiting in the region.
- There is enormous human potential in the Arab Middle East. As one corporate representative noted, “the minds and the will are there.”



## LIST OF PARTICIPANTS

- ❖ Othmar Al-Suqi, *Cisco Systems*
- ❖ Paulina Bendana, *The Boeing Company*
- ❖ Robert Boorstin, *Google Inc.*
- ❖ John Boright, *National Academy of Sciences*
- ❖ Janice L. Curreri, *U.S. State Department, Bureau of Educational and Cultural Affairs*
- ❖ Alex Dehgan, *U.S. State Department*
- ❖ Mona Dreicer, *Lawrence Livermore National Laboratory*
- ❖ Nina V. Fedoroff, *U.S. State Department*
- ❖ Stephen R. Grand, *The Brookings Institution*
- ❖ Cari E. Guittard, *Business for Diplomatic Action*
- ❖ L. Michael Hager, *Education for Employment Foundation*
- ❖ Terry L. Hansen, *IBM*
- ❖ Amy Hertz, *Education for Employment Foundation*
- ❖ Thomas Kwon, *Mansion Technologies*
- ❖ Robert Lison, *The Boeing Company*
- ❖ Kristin Lord, *The George Washington University; The Brookings Institution*
- ❖ Khaled Masri, *The National U.S.-Arab Chamber of Commerce*
- ❖ Tom Miller, *Business for Diplomatic Action*
- ❖ Jeff Miotke, *U.S. State Department*
- ❖ Ammar Nahwi, *King Abdullah University of Science and Technology (KAUST)*
- ❖ Eric Novotny, *Civilian Research & Development Foundation*
- ❖ Robert Tai, *Google Inc.*
- ❖ Vaughan Turekian, *American Association for the Advancement of Science*
- ❖ Jeff Weintraub, *Fleishman-Hillard*