

THE BROOKINGS INSTITUTION

SOCIAL ENTREPRENEURSHIP IN THE MIDDLE EAST:

ADVANCING YOUTH INNOVATION AND DEVELOPMENT THROUGH  
BETTER POLICIES AND PRACTICES

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**PARTICIPANTS:**

**Introductory Remarks:**

KEMAL DERVIS

Vice President and Director, Global Economy and Development  
The Brookings Institution

**Featured Speakers:**

TARIK YOUSEF

Dean, Dubai School of Government  
Nonresident Senior Fellow, The Brookings Institution

SONAL SHAH

Director, White House Office of Social Innovation and  
Civic Participation

**Moderator:**

JANE NELSON

Nonresident Senior Fellow, The Brookings Institution  
Director, Corporate Social Responsibility Initiative  
Harvard University

**Panelists:**

AHMED YOUNIS  
Director of Strategic Partnerships and Communications  
Silatech

EHAAB ABDOU  
Advisor, Middle East Youth Initiative  
Wolfensohn Center for Development  
The Brookings Institution

NADA AL-NASHIF  
Regional Director  
International Labor Organization, Regional Office for Arab States

FADI GHANDOUR  
Chief Executive Officer and Founder  
ARAMEX

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## P R O C E E D I N G S

MR. DERVIS: Good morning, everyone. I think we'll start. Maybe some will still drift in. Welcome to all. As you know, this event will mark the launch of the new Middle East Youth Initiative Report entitled "Social Entrepreneurship in the Middle East Towards Sustainable Development for the Next Generation." It's a report that assesses the state of social entrepreneurship in the Middle East at a very critical time, particularly, as we all know, because of the youth employment problem which is so central in that region. It is the region in the world which has the biggest youth bulge in the labor force and, therefore, the need to create employment in the private sector -- as the public sector certainly cannot shoulder that burden -- in a substantial way is absolutely critical.

The other thing that I want to stress and I don't want to take much time, but when one looks at what's happened in the world, I think the notion of separating totally one's profit-making activities from the wider social/ethical context -- in other words, I make money during the day, lots of it, and then in the evening I give a little bit to charity and kind of switch hats, which is a little bit prevalent in parts of the business community -- has its dangers as we've seen. So the notion that while one is engaging in one's mainstream and very legitimate profit-making activities that one does it in a way that also looks at the social context and shoulders some of the wider

responsibilities without completely separating these two things may be a healthier approach. I don't want to launch a huge debate on what I think is a fairly important question, but I think the approach taken in the report is to integrate, in fact, the core business activities with social objectives and social entrepreneurship and not to separate these two worlds totally. And I wanted to stress that I think it's a very timely issue and something to be debated in a deeper way.

The topic will be introduced, we're very lucky, by Tarik Yousef, who is the founding dean of the Dubai School of Government and also nonresident senior fellow at the Wolfensohn Center for Development at Brookings. Yousef joined the Dubai School of Government from Georgetown University where he held the positions of associate professor of economics in the School of Foreign Service and Sheikh Sabah Al Salem Al Sabah professor of Arab studies at the Center for Contemporary Arab Studies. I think many of us know Tarik Yousef. He is a leading authority on the economies of the Arab world. He received his Ph.D. in economics from Harvard University with specialization in development economics and economic history, and I think that combination, development economics and economic history, is a very, very good one. I think the more, again, one has looked at economics as a discipline, the more we've realized lately that it has to be placed in an historical and broader context. The technical part is

important I'd be the first to say, but far from sufficient.

His current research interests including the dynamics of labor markets, the political economy of policy reform and development policies in oil exporting countries. I won't go on any further because we need all the time we have. Yousef is also senior fellow at the Belfer Center for Science and International Affairs at Harvard University's Kennedy School of Government.

Tarik, will you please come. Thank you very much for being with us.

MR. YOUSEF: Good morning, ladies and gentlemen. I'm especially pleased to be here with all of you today. As many of you recall, the program was not initially designed to have me participate except from the floor as a participant, but our dear friend, the founder of the Wolfensohn Center and a longstanding supporter and in my own humble view a giant in so many ways in the field of development and with huge imprints in the Arab world, longstanding commitment, unwavering commitment, Jim Wolfensohn could not be with us today. So I was asked at the last minute to step in and say a few words. I don't have a set of prepared remarks, but I just wanted to reflect on what I think has been a very fruitful, productive two-day presidential summit on entrepreneurship in the Muslim world, which takes place at just about the time when we are launching the report.

I think there is more than just a coincidence in all of this coming together, so if you will permit, I'll just spend a few minutes and fine tune and reflect on some of the discussions in the last two days. Many of the participants are here and I will give them all the time possible to reflect on this.

Yesterday at night, at about 7:00 p.m., still suffering the consequences of jet lag, dealing with exhaustion and having just gotten the call that Jim Wolfensohn would not be able to be here, I was asked to go to a BBC television studio to discuss the presidential summit on entrepreneurship in the Muslim world. The invitation came with the following request: we want to discuss some of the issues raised at the summit which had to do with entrepreneurship, economic opportunity, human dignity, social justice, creating opportunities for people in the Arab world. The first question by the announcer was: Do you believe that social entrepreneurship will be the vehicle for achieving democratization in the Middle East? Is that the goal of the U.S. Administration? And was this an issue that was discussed at the summit?

I obviously was not prepared for that sort of question. I stumbled for a few seconds. But this is a question that is going to be raised: the timeliness of it, the particular focus, the choice of entrepreneurship as the first major step to translate some of the content of the Cairo speech is a

matter that will be discussed in the Arab world and in the Muslim world. I think for many of us participants who came from the region representing 50 countries, over 250 participants, on the very first day many of us asked that question. Why entrepreneurship? Why this particular choice of terminology of an entry point to discussing rebuilding relations between the Muslim world and the United States of America?

I think whether the intention of the U.S. administration is to have a new beginning or to find a new way of bringing about civic engagement in the region -- and even if the goals ultimately seek to achieve people-to-people relations and greater participation by the public -- we through our own modest research at the Middle East Youth Initiative have been paying attention to entrepreneurship, to social entrepreneurship in particular, as an important entry point for achieving or perhaps launching new development models, new development thinking in the Arab world and in the Middle East in particular.

So the coincidence for us has nothing to do with the political convenience of using entrepreneurship, its political correctness, its safety, its sensitivity to the greater landscape in the world or to this particular moment in greater U.S.-Muslim world relations, but it had everything to do with the socioeconomic development conditions in the Arab world.

At the Middle East Youth Initiative we have paid considerable

attention in the last few years to looking at problems facing young men and women, problems that initially focused on employment but very gradually led us to looking at broader areas of economic and social opportunity: marriage, civic engagement, housing. The broader issues that confront and make it difficult for a large segment of our youth to transition from being youth to adults is what our initiative has been about in the last couple of years. We have launched a number of important reports, engagements, and some of this research I would argue has helped shape some of the thinking at the moment on the broader, more complicated and interrelated issues of challenges facing young men and women.

Social entrepreneurship happens to be one of the areas that we have started paying gradual attention to in the last year or so. I don't profess to understanding what it means or what it does, but I was intrigued by the idea that perhaps at a moment when governments are constrained for finances, when traditional development policies and modalities are unable to deliver on a mandate for a large segment of the lives of young men and women, and at a moment where the development model for the world economy as a whole is being challenged in the middle of a financial crisis, perhaps alliances, coalitions between corporate leaders, NGOs, philanthropists, charity organizations, and broader alliances elsewhere can help shape some of the discussion and deliver on that mandate.



We've witnessed in the Arab world recently a number of important developments. We've witnessed a new breed of corporate leader some of whom will be presenting today on the podium taking an active role in civic, social, and economic engagement. We've seen philanthropic organizations for the very first time in the region's history taking a more strategic approach to thinking about social impact. And we've seen young men and women, educated, globally minded, wanting to do more than simply queue up for a public sector job. If governments can play a role in helping to shape -- and I'm using a term we heard a lot in the summit two days ago -- in helping shaping and creating the ecosystem through which these alliances, these actors, can create social enterprises with social impact that seek to achieve economic opportunity, and if partners outside including the U.S. government and others can help add to the debate... That was the second question I was asked yesterday in the interview: what could the U.S. do for social entrepreneurship in the Arab world?

My response was the U.S. can share with the Muslim world, with the social actors, with the social entrepreneurs best practices. It could share with them the knowledge of what works and what doesn't work, how to test it, how to validate, how to adapt, how to replicate, how to scale up. The U.S. could create forums such as the presidential summit where we could actually have a very fruitful, productive engagement.

And moreover, for some of the poorer countries of the Muslim world the U.S. can make substantial investments in helping to make this possible. If social entrepreneurship, as it will be outlined and discussed, can be made to work, it could very well be one of the important entry points in thinking about new development approaches that are effective, that promote civic engagement and are deemed to be sensitive enough to be tolerated and perhaps even encouraged by governments in the Arab world at a moment in time when governments feel extremely vulnerable due to the broader regional issues.

This report is a first attempt to take stock of the phenomena of social entrepreneurship. I think we're indebted to all the authors in the various organizations who have made this possible. You will see them in just a few minutes. And we're indebted to many of the organizations that made this financially feasible: the Wolfensohn Center for Development and Brookings, the Dubai School of Government, Silatech in Doha, and many of the entrepreneurs and many of the corporate leaders, many of whom are present in the room today who have inspired us, who have supported us and I think on whom we have a lot of hope for the region and for better U.S.-Muslim relations at large.

Thank you for the opportunity to address you. I'm glad we have Sonal Shah with us here today whose leadership has played a key role

in making the summit possible and in motivating many of us to be engaged on this important subject at this particular moment in time. Thank you very much.

MR. DERVIS: Thank you very much, Tarik, for these introductory remarks. Let me also say how much we value the partnership with you and also with Silatech, both the Wolfensohn Center and the whole of Brookings.

We're very, very privileged and happy to have Sonal Shah with us. She is deputy assistant to the President and director of the White House Domestic Policy Council's Office of Social Innovation and Civic Participation. As you know, I think, Sonal, you were the driving force behind the entrepreneurial summit. I was there yesterday and I could feel the enthusiasm and the energy that that unleashed. I think it's a great initiative and I hope it will continue over the years.

Sonal Shah also served on President Obama's transition board overseeing the Technology Innovation Government Reform Working Group. Prior to joining this White House, Shah led Google.org's global development efforts focusing on transparency, openness and civic participation as well as growing small- and medium-sized enterprises. Before her time at Google she was a vice president at Goldman Sachs where she developed and implemented the firm's environmental strategy.

Shah also co-founded and directed Indicorps, a U.S.-based nonprofit offering fellowships for Indian-Americans to work on development projects in India. Prior to that she worked on trade, outsourcing and post-conflict reconstruction issues at the Center for American Progress and developed and managed policy and advocacy programs for the Center for Global Development, and that's where we met. I could go on and on, but let me also say that previously Sonal worked at the Treasury Department and later was detailed to the National Security Council.

We're extremely happy you could take the time to be with us here. I know throughout the world, not just this region, the Muslim region or whatever you call it -- the Middle East, Mediterranean, Central Asian Region -- but throughout the world, President Obama has unleashed a huge amount of enthusiasm. I was in France last week and still people were saying how much they would want to vote for President Obama in France. I think the relationship with the countries in this region is particularly important and the problems are huge, many problems. One of the ones that we are focusing on a lot as you know is youth employment issues, the integration of youth into the modern economy, but there are so many other dimensions of it. I don't want to take more time.

I welcome you very warmly, and please ask you to share with us your thoughts this morning. Thank you, Sonal.

MS. SHAH: I don't think I quite got the concept of how big this room was when I walked in. Thank you all for coming and thank you for the invitation, Kemal. It's always great to work with you.

For those that don't know him, we met at CGD, but he has been a great not just mentor, but [showed] great leadership on a variety of issues from when I was at Google to when I was at CGD, so thank you for everything. Thanks to the Wolfensohn Center and the Brookings Institution for the invitation. A great forum, great timing, and certainly the report was great. It was really good to read through. I'm going to use a lot of your framework to use it in what we do because I think there's a lot of good sharing of concepts in there that will be very valuable.

To the Dubai School of Government and to Silatech, for all of your work in working with us throughout the process of the entrepreneurship summit, we've benefited multiple times from so much of the input from various organizations as well as the input from various teams of people who have been really good in giving us feedback.

I'm here to talk a little bit about the Obama Administration's approach to social innovation and then I'll talk a little bit how it can work along with the report and what can be done in the Muslim world. Because sometimes I think it's better for us to figure out what works here than to wholly transport everything that we do, because we need to learn a little bit

also in the process and some of the stuff we're doing is also a bit of a learning process for ourselves. We've been working on social innovation for the last year and half. We've learned a lot of good lessons. I'll talk a little bit about our approach, a few things about our lessons and how some of these lessons could be applied across countries and across the world and what we can do.

When we approached this, the fundamental premise of the Social Innovation office of this group is to think about the solutions [to] our problems are coming from communities across our country, but across the world, on a regular basis. And the role of government -- and certainly the role of the U.S. government and the U.S. -- is to see what's happening in our own countries, find those programs that are working, find those innovations that are making and having an impact and the role of government should be to help replicate, help grow and help share that information across boundaries. So it's not our job necessarily to come up with all the ideas, but to find those ideas that are out there and that's the fundamental premise of the office and what we hope to do.

We approach this in three ways. One, looking at capital differently both inside of government and outside of government. Inside of government, how can the government look at finding those innovations and how can we look at using funding in the way the government works to look

for innovative approaches to provide scale capital and growth capital as opposed to just program capital. For many of you who may run NGOs, we do a great job of asking more people to come through the door, but we don't ask the question how many people graduated and what do you need to grow? Is it technology? Is it more people? Is it training? But we don't do that. So the aim of thinking about how government can fund differently is to think about how government can provide growth capital.

We've started two innovation funds: one, an organization called the Corporation for National and Community Service, which is part of the U.S. Government, and the second at the Department of Education. The fundamental premise of both of these funds is that we are looking for those programs that have impact in helping those programs that have impact to go to scale. The innovation fund at the corporation is a little bit smaller. It's \$50 million really looking at those organizations that have some proven model. It doesn't mean that they've scaled. It means they have some proven model and can show it can be replicated and we grow them. At Education it's a larger fund with three parts.

If you look at it from an investment perspective it's the early stage investing model where we're looking for those that have real potential for impacts, those innovations that have real potential investing in them, those that have proven themselves and can be grown, and those that have

really shown scale and have the potential and grow them. That last pot of money, the minimum amount we spend is \$50 million. If you've already proven your impact, then you have the ability to get \$50 million as a start, not to grow into. That's important because now the government is looking at funding innovation in a fundamentally different way. It's not just looking at funding the same programs and saying we hope to achieve better outcomes. We're really looking at what's the impact we define because sometimes what government doesn't do is define impact itself and what the impact is we're trying to achieve. Then how do we share the learning? So how do we share the research and evaluation that comes out of it and make it more publicly available? That is the premise of both of these funds.

But what we're doing now, while these are two funds, is going across government and working across agencies on how they might create innovation funds, what principles that they can use, because we've done a lot of work now in the last year and a half on what the principles for innovation funds are and how we can share across agencies doing innovation funds in slightly different manners depending on the issues that they're working on. But that premise of innovation funds and the premise of investing in innovation [and] growing innovation is something that we want to spread across government agencies. And that's what we've been working on over the past year and certainly will be doing over the next year.



The second part is an external strategy. The role of government can be its own money, but the role of government can also mean convening and the power of the bully pulpit. What we are doing here is we're beginning convenings with private actors, with foundations, with civil society to talk about how we can bring the capital markets into creating more funding streams, more sustained funding streams because many times we go from one nonprofit to another nonprofit to another foundation, but we don't actually think about long-term funding. If we really believe something is a success, where do they go for scale? Foundations usually fund 3- to 5-year capital, sometimes they do 7 to 10 years, but beyond that if you're doing really well what happens? Where do you go? And the government obviously can play in a role in the scale portion, but really thinking about are there consistent funding streams? So we're beginning conversations and convenings with private actors to think about how do we create consistent funding streams. Are there opportunities to create new asset classes of investment and where can policy play a role in encouraging that and catalyzing that?

With that comes obviously evaluation and metrics, because we need to make transparen[t] what's working and what's not working. I think for the sector that's going to be an interesting challenge of being able to admit something is not working as much as something is working, and not

to say it's a failure, but to say we can learn from those things that don't work to apply them to something that can work.

The second part which goes along with this is we know that government alone cannot solve these problems, so a lot of this work is going to have to be done in partnership. So we are partnering with civil society, we are partnering with business, we are partnering with other governments, we're partnering with state and local governments because what we need to do is to figure out how to work together to solve some of these problems. Business can't do it by itself, civil society can't do it by itself, and government cannot do it by itself. Government can set the policies and we are working on the policies, but we are not going to find those innovations and communities. That's what civil society can help us with and business can help us with the metrics and evaluation and helping us think about scale in different ways. But there are opportunities to do partnerships and I will just talk about two very quickly and then we'll talk -- across government we're working on how to help agencies work on this.

One, we took an idea that actually came from South Africa, which was using text messaging to help women and men get to clinics on time for their HIV/AIDS medication, and they found that text messaging was a more appropriate way to get that information across and people were coming and it had an impact. So we are bringing that same message here

to the United States on working with low-income communities with women. It's called Text for Baby, and sending women messages every week of their pregnancy on what they need to do during their pregnancy so that they can come to the hospitals or they can go to their doctors and ask the right sets of questions. But what this is is it's a partnership. All of the mobile phone companies in the U.S. are offering free texting for three years I believe, and the CDC, Johnson & Johnson, and HHS are all working together to provide the information on a regular basis. So if someone texts in a question they will be able to answer that question and they have medical -- and then the Department of Defense and the Department of Health and Human Services through their health clinics are also making this information available so women can text in.

Aside from all of that, we talked about impact, we've partnered with two universities to measure the impact of this. Does this affect maternal and child mortality? And we're going to measure this over the next three years and what kind of impact it does have. It's a partnership because it requires government to do its part. It also requires civil society to do its part and it requires the private sector to do its part, because there are parts that they are better at that we're just not good at: getting messaging out, using the texting services most effectively. The government is not going to do a great job developing that, but we can partner with those that know how to do

that. And those are the types of partnerships which is it's not a transactional partnership, but it's a partnership to achieve impact and those are the types of things we'll be looking for.

Second, similar, many of you may have heard the First Lady launched an initiative called Let's Move, which is for the U.S. to eliminate childhood obesity in a generation. So she's not looking at it in a two-year term or a four-year term, but she's talking about a generation and what impact can she have in the eight-year period that we'll be here, hopefully, and to have an impact in that. That requires everything from how do we change eating habits to how do we fundamentally think about how food is transported across borders. And then where there are not grocery stores, and there are many cities in the U.S. where there are just no grocery stores. So if you go to downtown Detroit, you will not find a grocery store and there hasn't been one in seven years. So if that's your choice, where are you going to shop? You're going to go to a 7-Eleven or you're going to go to the corner stores or you're going to go to McDonald's. So if those aren't there, what can we do to help that happen? And that partnership is just beginning. We've created a foundation that is working in partnership with the First Lady's office and with the U.S. Government, USDA, to help create these streams, set some goals and work...to achieve some of these goals.

But the point here for us is that, again, the government alone

is not going to solve this and we recognize that. But importantly, we can work with agencies on how they do partnerships differently and our job is to do a few, but to spread that message across agencies because, again, the White House can't do this all where there are only 5 of us in the office and maybe, all together, another 10 that can work on this. But to keep these ideas moving it needs to move into agencies and success will be when it becomes a part of the agency.

Then the last part, which is very critical to the President and First Lady, is how do we get people to participate in the process? It's not just about what government does. It's not just about what civil society does. It's not just about what business does. But how can communities themselves take ownership in solving some of these problems? Because we need all of it. The President calls this an "all hands on deck moment." We call it "everybody needing to participate moment." But getting information out on what you can do in your own homes in terms of eating differently, whether it's Let's Move, thinking about how to help close the summer reading gap. There's a lot of students that just can't meet the average third-grade reading standards. We can do things in our families and our communities. And the concept of community doesn't just have to be going to a community center. The concept of community is where you live and where you are. For many of you and many of your communities,

community is your family, larger extended family and much more around that. So it's the same and it's taking this concept of community and bringing it down.

Here there's a role for technology. We've developed one technology inspiring and working with other technologies to think about how technology can help find where the opportunities are, where you can download information if you need it, not necessarily telling you what to do, but you can download that information if you need it. Again, we're working across agencies, but we will also work with the Corporation for National and Community Service in showing that when we put service along with policy, we can actually achieve impact and that's something that the President and First Lady strongly believe in, but that's something that we strongly believe in.

So all of this is to say what can we do with the Muslim world differently? One part is we can learn. There are things that are already happening in communities similarly as we approach this in the United States, which is we know that there are solutions in communities already. We need to find those solutions and help grow them and scale them. One thing that we do want to do and one thing I know we've worked with our colleagues at the State Department and our colleagues at the National Security Council is thinking about what are the technologies, what are the

platforms that allow us to learn, that allow us to share information? The Text for Baby is something that we took where we saw something working in another country and bringing it here. Very similarly, we know that there are innovations in other countries that we can share from, learn from, but use similar platforms to do different things with.

Second, we can talk and share experiences on the various types of funds. I know it's in your report, which is putting funds out there for innovation. And we can talk about what we've learned in the process and what others can learn from us because obviously it's an organic process. We're not perfect at it, but we're learning as we go along. And what we've built into the innovation funds is a learning process so we can take that information and do something different if we need to, but not be so rigid that we can't make change when we see some things that aren't working. So how do we do that? We can do it in the funding streams and understanding where the learning is there.

Secondly, on evaluation and metrics, which I know that there was another piece in the report on standardization of metrics. That's something that I think is a good conversation not only domestically to have, but internationally to have. How do we define an outcome on education? How do we define an outcome on health? How do we define an outcome on child survival? What are the outcomes and can we get to some basic

metrics that we can all agree with? Because many organizations are going to multiple funding partners having to report very different things. So if the government, private sector, civil society can come to some basic standard agreements, that's something. And as a start, we're starting just internally with our colleagues at the Office of Management of Budget to at least come to some standard agreements within government agencies. Because many nonprofits go both to the Department of Health and Human Services and the Department of Education and they have to report two completely different things even though they're trying to achieve the same outcome. So we've got to come to some standardization, but I think some of that standardization we could do collectively because there is some work to be done. And I know, Jane, you've done quite a bit of work in this area and there's some work that we could learn from the business side on how the business community has done this.

Third, creating the fora and the forums for conversations. The summit was a fantastic forum in terms of not only groups coming together and learning and sharing their experiences, but also hearing about the comments. I think one of the most valuable pieces of the summit were not so much the panels as much as the questions asked. Because it's in those questions that we begin to understand what the challenges are, what the concerns are and what the issues are and using that information. So my



tech part of my background would say information is valuable and understanding the information asymmetries are valuable, and so those questions offer us a huge opportunity to understand what those information asymmetries were of what we were conveying, but what was also being heard and what was wanting to be heard. And that's important because in the next round as the next summit will be in Turkey, we hope to take that information and apply it to the next summit so we can say here are the things we heard. Can we apply it?

One thing that we did this year which I think was extremely valuable, I don't know how many of you were on this, the Global Pulse. The Global Pulse was run by USAID and this was an opportunity to have a conversation about the entrepreneurship summit with anyone around the world that could join in. During the Global Pulse we had 10,000 people sign in [and] 10,000 people give comments. And these were not just comments of why are we doing this, how come you're doing this, but they were actually very substantively good comments. And the aim of the Global Pulse is we're now going through all of that data and all of those comments and figuring out what were some streams of information that everybody was asking that we should incorporate into policy or that we should incorporate into some of our programs or at least communicate better. But those are the types of things that we are hoping to do and do differently.

So I think I'll end here because I think there's a rich conversation to be had with the panel, but I do think there's a lot to learn. Certainly the President has announced some partnerships, the Secretary of State announced a series of partnerships today with women's organizations, women tech entrepreneurs, women's innovation awards. So I think that there's a lot that we can do and are going to continue to do. But we also need to hear from you what's working and what's not working because in order for it to be a real global partnership, we need to have a sharing of that information.

So thank you for the invitation and I look forward to the conversation.

MR. DERVIS: Thank you very much, Sonal, and, Tarik, also again to you. I know you have a very tight schedule, but maybe we can just spend 10 minutes with a few questions. If somebody from the audience wants to come in very quickly, particularly before Sonal has to leave, I'm encouraging you. So think about it in the next two or three minutes and then you'll have your chance.

Let me start maybe by two questions, Sonal, to you first. You had one panel which was parallel to mine yesterday and you mentioned the questions that came from the floor. Could you share maybe one or two particular insights that came from that panel?

And the second point I'd like to touch on and maybe ask you a question: you gave a very good example. What was it called for babies?

MS. SHAH: Text for Baby.

MR. DERVIS: Text for Baby, that's right. Presumably here the cell phone companies are doing this for free. Right? But there is also a model where the private sector actually charges for some of these things maybe at a special rate. After all, airlines discriminate prices. Right? It's not true that price has to be same at every time and every moment. So maybe if you can say something about your experience in terms of actually making these things also quite profitable for private enterprise.

MS. SHAH: Great questions. Let's start with the easy ones. I think the panel had a variety of experiences on there and what was, I think, most illuminating to me -- and I believe I see a couple of the panelists here, I think Iman, I saw her in the back over there from Ashoka -- what was great about the panel was the conversation that was taking place. There was one, Iman and Ashoka, where they select entrepreneurs. There was somebody on the panel who was a social entrepreneur, who had started a business actually for profit and nonprofit, and another who had created a network within her own country. And then Chris Hughes from the tech side, which I will share, I think, one of the most interesting insights that he gave on the technology piece is he started Facebook. He also created

mybarackobama.com for the President's campaign and is now starting a new venture called Jumo. What was the most interesting insight there, and it's a for-profit actually, is he said sometimes we build technologies assuming we're going to solve a problem as opposed to understanding what the communities are doing and building the technology to address how they operate. From a development context that's something that when I was at Google we did a lot. We built a lot of technologies, and we found that we thought a technology was going to solve a problem. But what it didn't understand and take into account was how the community operated it and how it made it work, so when the technology was being used it was operating in a way that was seamless with how they did their business or how they connected.

So Facebook is a good example. Facebook started with a college where it was a way of connecting with your peers. You already had a book that you got, they put it online, and it grew to a community. And as it grew they looked at what people were looking for, which pages were they staying on, which ones weren't they staying on. How come they weren't? And if they weren't, they eliminated it. And we don't do that sometimes in development. We don't stop a technology if it's not working. We just keep it moving because we feel like it was the right thing to do. And so I think that was a very good insight.

The second insight was from a panelist who is also an Ashoka fellow, Yuyun Ismawati, where she realized for her to scale she had to work with government and she had to figure out how to work with government so that she held her principles but at the same time the government was helping her grow. So she was in 100 villages, water and sanitation systems, and now she's in over 1,000 cities in Indonesia and growing, and the government has now made it a government policy to run programs in the same way. What's interesting about her model is it's a for-profit in the sense that the community buys a share into the water and sanitation systems. They make money on it. They're a part of the community. So it's not a nonprofit system, but it is a for-profit system. So that goes to your second question of how the private sector models...

I think there are private pricing models and I think one of the things that we all could learn in this space is what are the right pricing models... Innovation doesn't have to be just a technology or innovation just doesn't have to be doing something a new way. Innovation can be a new finance model, and innovation can be a new way of doing a process. And when we look across countries whether it's in Kenya or India or Tanzania or Syria, we find there are innovative process models that we need to bring in and talk about. If in India you can do heart surgeries for \$2,000 and make it profitable and it's quality services, that's an innovation that should be spread

across other countries because they're obviously doing it in ways that are good, are cheap and still provide quality.

So there are opportunities for us to take these innovations that are for profit, but not profit maximizing. I think the difference is profit maximizing versus profit making and we don't distinguish profit maximizing from profit making. I think you can make a profit, but you don't have to maximize profit.

MR. DERVIS: Thank you, Sonal.

Tarik, in terms of scaling up, one of the things in having worked a lot in the Arab world particularly, the Arab countries, there are these huge opportunities of basically a single language, although it's not so easy in Rabat to understand the language spoken in Jeddah. But is this an area which can scale up across the borders in the Arab countries that can use the fact that there is the language, that there are all these links? I'm always as a friend frustrated by the difficulties of going across borders.

MR. YOUSEF: This is a big question. I think what you're going fundamentally after is the scope for regional integration in this region which has traditionally been the purview of governments. When governments worked well there was regional integration. When there were problems between governments, however small, regional integration projects through trade and investment were undermined. That challenge

remains and regional integration is still a project in the making in much of the Arab world.

What I think we're thinking about, and why the summit is a source of excitement and enthusiasm, are forms of regional integration that do not necessarily bypass governments but link up corporations, corporate leaders, NGOs, social actors who could mobilize to have social impact. Historically these forces never came together, did not work together partly out of limited realization of what they could do, the absence of clear leaders, such as some of the people in the room here today, corporate leaders who actually are willing to make the commitments and NGOs that have some experience. If we can at this moment help mobilize these forces, encourage them, facilitate their work, create the legal frameworks and the political space for them to feel safe, I think these coalitions across the region can become the modality for achieving regional integration and for having that sort of social impact that is possible.

I am struck at the moment by the emergence of a new generation of corporate leaders who are extremely socially conscious, who are aware of their place in society and history, and who want to mobilize their own financial resources and those of their corporations to have impact across the region. We're seeing some of this happen, now we want to scale it up and mobilize it and I couldn't agree more with Sonal and you. I think for

me, at least personally, the summit was an opportunity to get to know about so much that I knew very little about, even though we're about to launch a report that in which we claim we're taking stock of social entrepreneurship in the Middle East. The opportunities to network, to learn from one another, to reach out, to engage and to think about the future I think is probably the best outcome for me, personally, and I think for many people in the room who spent those two days at the summit.

MR. DERVIS: Thank you very much. Maybe one question for Sonal before she has to leave. Anybody? I gave you some warning. There is somebody way, way in the back there.

MS. WINTHROP: Rebecca Winthrop here at Brookings at the Center for Universal Education. I have a question for all of you really which is... I'm curious how you're thinking about education policy. What kind of radical changes are needed within our education systems whether it's here, Sonal, or in the Muslim world or other contexts, that can support some of these livelihoods, entrepreneurship, some of these core skills that are really needed around innovation and addressing the youth bulge, et cetera? I know that last week with all the ministers of labor, this was a big theme that education policy and livelihood creation, for youth especially, were sort of divergent, they weren't complementary, they weren't helping each other out. Again, I'd be curious to hear if it came out in the summit and/or your opinions



and thoughts about what we really should do about it.

MS. SHAH: Education at every level whether it's from K through 12 to college, to even post-college, is critical to the way we think about entrepreneurship. It's happening on a regular basis, but how do you create the frameworks that allow that? I think there are multiple levels of addressing this. In the U.S., we're working certainly on just reforming the whole educational system. As many of you have been watching the process here, Arne Duncan, who is our Secretary of Education, has just been taking this on in a very strong way. Not only have we created the Innovation Fund, but for many of you that may not have heard about this, he created a fund called the Race to the Top Fund, which is a \$4 billion fund. What this fund does is it allows school systems to compete for this \$4 billion pot, but they have to make certain changes and reforms in their system. Believe it or not, 40 state legislatures changed legislative policy just to be able to compete for the fund. That's not even getting access to the fund. That's just to compete. That's just to say there are different ways and different modalities that we can get there. He's also taking out this year or attempting to take out this year any earmarks on education funds so that it becomes all competitive grant making, competitive across the education system.

But again there are multiple levels, and in the U.S. it's so decentralized. Much of the educational system takes place at the district

levels. The federal government has limited ability to affect educational systems across the board. Textbooks are state: the government doesn't provide textbooks. Every state has its own policy on what textbooks it uses, and then different labor laws across this. But what we can do from the federal perspective is set some policies and create the catalyzation to achieve certain goals that we can set across the board and that's certainly the way we're approaching it. From an entrepreneurship perspective we're trying to partner with universities and thinking about what are the right sets of systems and what do we need to do that can help from a government perspective to do that. I don't think we have a great answer for it. I think we're just in the process of beginning.

MR. DERVIS: Thank you very much. Let me just add one thing that I believe is so important in this region and actually throughout the world on the issue of employment. Many economists look at unemployment as a transitory state. You lose a job, you find another job. You're jobless for three months or six months. It's not the end of the world. It's a bad shock, but it's the workings of the labor market if you like. Unemployment that is durable, the type of unemployment where young people don't find any job and don't have any prospect in the near term, or in the medium term, for finding any job. Or unemployment that lasts two or three years, where people lose skills -- and that's happening in the U.S. also -- is a totally

different matter I think. It's terribly important in the Middle East because it generates all kinds of social dysfunctions, but I think it's a threat to the world as a whole. So I would like to take the opportunity of having a member of the Obama Administration here to really put a pitch in for employment. I think it is time that employment be as important an objective for macroeconomic policy, for overall economic policy, as price stability, as the balance of payments. The health of a society depends so much on that decent work agenda, the employment agenda. I'm taking advantage of this forum, but I feel very strongly about it.

I'm going to escort Sonal Shah out. Thank you very much, Sonal, for joining us. And also thank you for organizing this wonderful summit.

MS. SHAH: This was great.

MR. DERVIS: More to come. But also thanks to the whole team of the Middle East Youth Initiative of the Wolfensohn Center and all those who have contributed to this report led by Samantha, but the whole team. I also would like to thank all of you before we leave.

Jane, you take over.

MS. NELSON: We'll get all the panelists sitting up there.

Good morning, everyone. My name is Jane Nelson. I direct the Corporate Responsibility Initiative at the Kennedy School at Harvard and I'm a

nonresident senior fellow here at Brookings.

Our next panel is going to be looking at the role of social entrepreneurship in the Middle East with a particular focus on the crucial role that social entrepreneurship plays in promoting the economic and the social inclusion of youth and the role that it plays in building, and is playing, in building a new generation of leaders in the region. We've got a truly superb panel, I think, to help us begin the conversation and discussion today.

Secretary Clinton, in her closing comments to the entrepreneurship summit yesterday, described the social entrepreneur -- or an entrepreneur -- as someone in any sector, the social sector, business sector, and indeed the public sector, who has a passionate belief in the possible, on the one hand, and, on the other hand, the commitment, the perseverance, the persistence, the guts, and both the strategic and the operational capability to make that belief a practical reality. I think all four of our panelists absolutely epitomize that entrepreneurial ability.

First of all, Ehaab Abdou, who was not only one of the authors of the report and who leads the social entrepreneurship project in the Middle East Youth Initiative, but equally or more importantly is a serial social entrepreneur. He has set up a number of social enterprises in Egypt, most recently the Nahdet El Mahrousa initiative, which is one of the first incubators of social entrepreneurs and enterprises in Egypt. He is also a

field builder or an ecosystem builder in the sense that he was one of the founders of the Federation of Youth NGOs in Egypt. And also a great musician. He was one of the co-founders of the Ana Marsry musical band, which I strongly recommend you listen to, which has been set up to really increase tolerance and citizenship through music and musical engagement.

Second, Fadi Ghandour who is amongst many things the founder and the chief executive of Aramex International, on the board of the Abraaj Group, and also one of the co-founders of Maktoob.com, which is the largest online Arab community in the world. I think we were talking just now about regional integration and the role of the private sector. Fadi is sort of sitting at the nexus of logistics and transportation on the one hand, online technology and communities on the other, and venture capital markets on the other. Absolutely the nexus, I think, of three of the sectors that are crucial not just in the Arab world, but everywhere for greater regional integration and economic development. I think also importantly, both in Aramex and Abraaj Capital, Fadi and his colleagues are really demonstrating what corporate responsibility means in practice and, again, going beyond that it's just about philanthropy to very much how you integrate social and environmental issues into your core business and you report about it publicly. Both Aramex and Abraaj are one of the two companies in the Middle East that are publicly reporting on their social and environmental

practices. So it's fabulous to have you here, Fadi.

And I won't go into the other things he's doing on the civic leadership side, but just to mention very quickly Ruwwad for Development, which I've had the great honor and privilege of spending some time with, is very much a sort of grassroots, community-based leadership initiative in Jordan among many community initiatives that Fadi has championed and supported.

Next, Nada Al-Nashif, who has, I think, over 20 years demonstrated enormous entrepreneurship within the United Nations system, initially with the U.N. Development Program where, among many other things, she was one of the pioneers in the Arab Human Development Report which has been so important from a thought leadership perspective. She is now the regional director of the ILO for the Arab states and doing some very interesting work among, again, many other things on both entrepreneurship, but also the Decent Work Program.

Finally, last but absolutely not least, Ahmed Younis, who is a senior consultant at Gallup and a senior analyst at the Gallup Center for Muslim Studies and the Muslim-West Facts Initiative. At the moment he is based in Qatar in Doha with Silatech, an organization that is promoting both youth entrepreneurship and empowerment. Ahmed, as you will see in his bio, has played a really important role in pioneering a lot of the dialogues

and convenings on the Arab-West dialogue and the Muslim-West dialogue, and building much greater understanding and practical partnerships between our various communities.

Without further ado, what I'd like to do is hand over immediately to Ehaab. Just say a few words, Ehaab: perhaps there is some conversational bit of fuzziness around what is social entrepreneurship. Can you say something about how you're defining social entrepreneurship as one of the first Arabs to be an Ashoka fellow? And then a few of the top-line findings of the research as the lead researcher for the report?

MR. ABDU: Thank you very much, Jane. It's a real honor and privilege to be on such a panel and to be with all of you today. First I'd like to start by thanking Jane Nelson because she is, as you will see in the report, one of the main co-authors of the report and, of course, you know her work and her several affiliations and her leadership in the area of corporate social responsibility and strategic philanthropy, and she had added immensely to our work in our report. So thank you very much, Jane, and thanks for your introduction.

I'd also like to thank Amina Fahmy and Diana Greenwald, who are also co-authors of the report, and, hopefully, you'll get a chance to meet them in the coming hour or so. Definitely I won't attempt to summarize a 64-page report. You will get a chance to look at the report and we have copies

for you.

So without further ado, I'll just start by giving you a very quick brief of how we define social entrepreneurship and basically some of our key findings and maybe some of our key recommendations very briefly and then we can discuss further throughout the discussion.

We are in the room here with people such as Iman Bibars, who is the regional director of Ashoka Arab World, Ashoka having actually coined the term "social entrepreneurship," and we've seen that there are a lot of definitions out there by several leading organizations. For the purposes of our work, we have looked at four key elements that will define social entrepreneurship for us. We are looking at initiatives and efforts that fulfill these four key issues: first, a social impact; second, an unconventional out-of-the-box approach to things; number three would be the potential for scaling up, and this is basically one of the most exciting parts while we have been very passionate about social entrepreneurship at the Middle East Youth Initiative; and the fourth is the potential for sustainability and for its self-financing and economic viability.

Just to link this definition to our purpose at the Middle East Youth Initiative looking at social entrepreneurship, we are looking at the youth bulge in the region. Many people look at it as a challenge. We try to look at it as an opportunity actually. And we look at social entrepreneurship



as a key tool through which youth would not only be able to contribute to their own development -- addressing some of their key challenges such as job creation and so on, but also to contribute to their overall economies and the whole region's development.

Just a little bit briefly about why we see social entrepreneurship now or some of the key positive factors defining the moment that we have seen through our work over the past 10 months. We've actually seen some very positive trends. Some of them include an increased interest among youth in volunteering, in starting community-based organizations and social innovations. We have seen more and more strategic partnerships between the private sector and the traditionally separate social sector. We're seeing some more convergence in building some strategic partnerships between the two. We are seeing some improved reforms and regulations, but maybe when it comes more to the private sector. We still lack a lot when it comes to the civil society sector, but we are seeing some positive changes there. We are seeing an increased interest as well in people looking at foreign direct investment and official foreign assistance and development assistance to make it more strategic, more inclusive, and more sustained. So this is possibly what defines the moment for us and through our research we have seen some key challenges that maybe I will very briefly highlight and then highlight some of

the recommendations that we've come up with.

We are seeing in the region -- and this we've done through the past 10 months, as I mentioned, through some desk research and some key roundtables that we have had with selected social innovators and social entrepreneurs from the region. We have identified some key challenges that are facing the sector on two levels. First, on the micro level, on the regulatory and legal framework level and missing mechanisms and institutions. And when we spoke to our social entrepreneurs across the region whether they're from Morocco, Egypt, the West Bank and Gaza, Lebanon, Jordan, Saudi Arabia or the United Arab Emirates, there are a lot of commonalities in terms of the challenges they're facing and what they would like to see happening.

In terms of the challenges on the macro level we see maybe two key issues. One is that some countries are not supported by some of the key international organizations that are aiming to promote and support social entrepreneurship in the region such as Ashoka, such as Synergos, such as the Acumen Fund, Skoll, Schwab, and others. And this is not only on the country level some countries that are missing, but also on some community levels within countries that they are operating. So there is a vast space still for social entrepreneurs and social innovators to be supported.

One other level is also the level of the legal and regulatory

framework. There is a lot of work to be done there and maybe when we come to the recommendations we can talk a little bit more about that. But this does not only relate to the lack of conducive legal frameworks that are very important to be in place, but additionally, also the lack of knowledge on the part of some social innovators and social entrepreneurs of what the laws really are about and what options exist for them.

In talking to our social entrepreneurs across the region there were three key issues that they were facing. As I just mentioned, policy and regulatory issues and part of it is lack of awareness of what current laws are offering them, but also some lacking forums and modalities such as the not-for-profit company or hybrid models -- such as what we see in the U.S., like low-profit limited liability corporations, or in the U.K., community interest corporations -- that are totally missing across the region.

Number two is the lack of support for technical assistance and for funding. So it has been happening but it's been happening haphazardly. We lack mechanisms and networks that do support through technical assistance whether it's documentation, good business planning, good marketing, and so on, and where we can find the bridge between the corporate sector's skills and other skills whether educational institutions and others to social entrepreneurs.

And the third is, of course, the wider and bigger picture, a

culture of innovation and supporting innovation through education, through media and through public awareness of what it is to be a social entrepreneur or social innovator and the support that comes with that.

Based on that we've come up with eight recommendations that you will come up with. I've tried to further summarize them into five recommendations to just not take much of your time. Very briefly, the five recommendations we've come up with is, number one, on the macro level and the bigger-picture level -- we've heard throughout the summit: how do you say even social entrepreneurship or entrepreneurship in Arabic? Is it *rīyāda*, is it *riyyada mujtam'iyya*? So one thing is the need to come up with a clear definition and a clear -- coin a term for social entrepreneurship that would lead the way to having clearer frameworks for our work and defining it. Clearer impact evaluation and measures. As Sonal Shah mentioned, this is global, but also on the regional level we have seen some good efforts on the ground, like the Arab Responsible Competitiveness Index and others, like the launch of the ESG [Environment, Social and Governance index] with Hawkamah and IFC, launching recently with the Minister of Investment in Egypt. So there are some things happening there, but there needs to be some work.

Number two is coordination: better coordination. We've seen a lot of efforts, but there's not much coordination whether within sectors,

whether among social entrepreneurs, whether between sectors and social entrepreneurs, the policymakers, and the corporate sector.

Number three would be the missing mechanisms, and we are discussing three main areas in this aspect. One is the lack of incubators for social enterprises. We see business incubators and we've seen some work that the Mohammed bin Rashid Al Maktoum Foundation is doing with the Arab Incubators Network out of Morocco and Lebanon and several other countries that have incubators on campuses. But these are purely business incubators, so the idea of also supporting and promoting incubators of social enterprises. And we've seen in the summit also there were a couple of models there, like La Ruche in Paris or others as well, that we could replicate or see how to contextualize in our region. The second in the area of mechanisms would be the need for a regional social investment platform or a place where you could match between sound investments and between social enterprises on the ground, help them get the skills, do a business plan, do a good evaluation of their impact.

The fourth area is the legal and regulatory issues. Very briefly, the two key areas are the need to introduce hybrid models. In countries where we even had a not-for-profit company model it has been abolished, such as in Jordan, or made more difficult, such as in Egypt, so this was maybe the one that was closest to a hybrid model and is now not even really

an option. The second would be the issue of also supporting or introducing legislation that would encourage social investment funds. For example, Acumen Fund in the region has been having difficulty because of the lack of a legal framework that encourages social investment funds that are eligible for tax-exempt donations and at the same time being able to make debt and equity investments.

And finally, number five as a recommendation, and I will end there, is the idea of expanding the market and knowledge, so whether it's through education and the role of education, and we've seen some positive developments with civic engagement and philanthropy centers being set up, but mostly in private universities in some parts of the region, like the Gerhart Center in Cairo or at the American University in Beirut, but we need more of that. We need more media focus such as the BBC work and the CNN work that's been promoting that -- the World Challenge Competition that we've seen with the BBC on an annual basis -- and maybe some other issues that relate to identifiers or issues that would help expand the market.

MS. NELSON: Thank you. Thank you. We have a lot of very, very rich material there and, hopefully, we can sort of focus in on a few of those ideas and recommendations. And what I'd like to do now is sort of go to our other panelists really for immediate responses.

And first of all, you, Fadi, the corporate sector. There's few

pioneering companies. I know we've got some of the big multinational companies like Coca-Cola and Microsoft in the room. We've got Aramex, Abraaj in the room, at the regional level.

How can we get many more corporations actually getting engaged and what is the actual role of the corporate sector beyond philanthropy?

MR. GHANDOUR: Thank you, Jane.

I think -- I don't know globally, but I'll -- let me address the issue from a local perspective.

As Tarik has said, I think the regional private sector in the Arab world can play a massive role in bypassing the geographic and the political sensitivities of the region, because we don't have [them] -- because we actually want to do business across the region. And because civil society, in general, does not have the sensitivities and the political sensitivities and the historical political sensitivities that all politicians have.

So, we can actually play the integration role if we actually change our posture as organizations, historically and today even. The private sector in the Arab world -- maybe in other developing markets -- has been timid, focusing on its profitability, and eating out of the hands of government and thus our non-activist role. Because in an activist role you are going to be criticizing government and you are going to suffer as a

consequence. That and our private sector is a private sector that lives off of government and we need to be very much aware of that.

The new generation that is popping up in the region -- the Maktoobs of the region -- do not get affected by government, so you will see a different type of entrepreneur, a different type of private sector coming up and popping up in the region that is extremely aware, extremely activist, and pushing very hard the boundaries of change, and, I would dare say, the issues of democratization and freedoms in the region.

This is very nascent. It's a subject maybe to be discussed later, but let me talk a little bit about the private sector that is already on the ground today, that is already making -- can make a difference.

The posture that we have to take is move from our traditional role as being only profit-making businesses or -- and this is, again, a global issue with the banking scandals that we are seeing in the U.S. -- from moving from the concept of a profit maximization, from the concept of only having the shareholder as our master. I run a public company, we're listed on the Dubai Exchange. And I tell you, I cannot even attract a single employee if I'm going to tell him, you know, you really are working for the shareholder here. And it's really not interesting. And I certainly don't want to work for a company that thinks the shareholder is the ultimate person that is going to be judging me and judging the way I am conducting myself.



So, we need to move from that shareholder, profit maximization view to a stakeholder view. And corporations need to realize that they have social impact, whether they like it or not. The public sector needs to realize that -- well, they do now -- that corporations do have social impact. When one company in New York collapses and the whole global economy collapses with it and millions of people lose their jobs, we have social impact. And the view of the business of business being only business that Milton Friedman published back in 1970 is no longer an issue that we need to even argue today, because the business of business *cannot* be only business.

And regulation cannot be the only way to get business to adhere to the norms of market requirements. That is not enough because there are loopholes in regulations all the time and we will seek them. We will find them and we will exploit them.

MS. NELSON: That's being entrepreneurial.

MR. GHANDOUR: Okay? So that's -- you know, let's be honest about it. Corporations in the Arab world need to see themselves as part of the development process. We have to see ourselves as part of the development process, because we are employers. The stability of the societies that we live in are strategic to our survival. Our continuity as organizations is part of the continuity and the affluence of the societies that

we live in, and if we don't step up to that role we are basically abdicating to a public sector that is asleep.

The education system is run by the public sector in our parts of the world, and I can tell you, I am -- it's a poor link. If the private sector does not force itself on the table of deciding what we teach our future generations, what we do with our kids, our sons, our daughters, we are basically not excused anymore from complaining and armchair revolutionary discussions about how the government is not doing its job.

If the government is not doing its job, you step up and you will have to make a difference on the ground in telling government how important it is that we partner with them because they cannot solve the problems themselves. It is not doable anymore. The social problems in the Arab world are so massive that one, it cannot be left to the public sector. Two, it needs huge contribution from the private sector because -- and the private sector needs to think of itself as part of civil society.

We are in civil society. We cannot talk about civil society anymore by only looking at the NGOs. It is not the NGO. It is everyone that gets impacted by society is part of civil society at the end of the day. And we need to step up. We have -- the private sector has capabilities, has skills, has capital, has knowledge, has jobs, has access to public officials. We are powerful people. We can influence, we can be heard. We should not be

scared to actually go out and have an activist role and put our necks out and say, well, you know, this is not acceptable anymore, we need to be heard. And this is how it needs to be done or at least let us have a say on the table of decision-making that affects the future of the region.

And, you know, I can discuss different modalities, what we are doing, or maybe down the road how we can work with institutions like the Brookings Institution and the Wolfensohn Center and the social entrepreneurship report -- which is brilliant, by the way. All of you should read it. This is really an extremely important report because the Arab world has very little information about the many things that we do. And every time some research and some leading-edge research comes out, we need to read it and we need to understand it, and we need to see how we can contribute to it.

So, that is my view of what the private sector should do. It is -- at the end of the day, it is really a global issue. But we are going to focus it on the Arab world because that's the focus of our discussion today. And I can tell you from the many friends that I have across the region there [are] many leaders in the entrepreneurial -- in the business entrepreneurship -- sector that recognize this and are actually going to be much more active. And you will see many stories popping up in the region of people -- the cross borders -- that go out and do things from a regional perspective, not only

from a nationalistic, home-grown perspective of each of our geographies.

MS. NELSON: Fadi, thank you very, very much. Fadi.

One of the things that would be interesting to pick up is particularly how you're partnering with the education sector. I know, you know, a lot of these partnerships are one company, you know, one NGO, and some of the things that you've done where you've got groups of companies together to work with government. Maybe you could just say something quickly about that because I think it's critical --

MR. GHANDOUR: Thank you --

MS. NELSON: -- to say--

MR. GHANDOUR: Aramex incubated -- talk about incubation. -- Aramex incubated and launched an organization called Ruwwad. Ruwwad is our definition of entrepreneurship, and Ruwwad -- or in Arabic, *ruwwad al- a'amal* -- Ruwwad for development. And so, meaning entrepreneurship in the social service.

So, we created that organization, incubated it at the company, and went out as a pilot site -- adopted, if you want, a marginalized community in the heart of Amman, our capital in Jordan, where we have a small refugee camp. And we have a High Street, where people graduate from the refugee camp and live right two minutes away from it.

It is 100,000 people: no police station, no clinics, a drug

problem, 40 percent unemployment, single mothers all over the place -- issues that you could not even imagine. My friends in Jordan, in the private sector, would have said, is this in Amman? And is this only two minutes away from my house? So, yes. So, we've decided to have well, we call it a community empowerment project now.

So, we went in to fix a school actually. And we ended up -- when you meet with the community there and you tell them, okay, what can we do for you? First they tell you, who the heck are you, coming here to tell us? Are you part of government? Is the King giving you money? Are you a part of CIA? Are you -- is this a Zionist conspiracy? Are you preaching Christian evangelism here? You know, everything, and still -- and the mosques go out and the Muslim Brotherhood says, who the heck are these crazy people coming in to take our place? Because, you know, we haven't talked about the ultimate social entrepreneurs in the Arab world, which are Hamas, Hezbollah, and the Muslim Brotherhood. These are the real social entrepreneurs on the ground, and these are the people we have abdicated the role of development to. So, let's recognize that.

So, what I am saying to my friends in the private sector, it's either this model or your model. You want to be a part of the Muslim Brotherhood -- I'm glad there's no cameras here. (Laughter) So are you going to be part of that process and keep abdicating the role of our security -

- really, physical security -- on the ground to people that don't necessarily know how to do it? Or are we going to come out and bring our skills and our capital and our capabilities to these marginalized communities? And are we going to reach out to these people and tell them, well, there is a different lingo, there is a different activist role that somebody else can play?

The affluent can come and bring all their capabilities to you and maybe try to solve problems with you in your communities. This is not about charity, this is not about *zakat*. It's not about me sleeping well at night because I am feeling bad for the poor of our societies. It is about investing in the future.

So what we've done eventually, very quickly, is we give hundreds of scholarships in return for volunteer work. So, we tell the kids out there that you are not receiving charity from me by giving you a scholarship. You are going to earn it by being a volunteer. And you volunteer in your community by addressing an issue that your community needs to address. Very simple. And then you bring a clinic and you man it by the local people. You create a library and you man it by the local people. You fix the school and you create summer programs and extracurricular activities that are outside of the government curriculum, and you wire the school so it becomes Internet-enabled. And you do all sorts of other stuff; we can talk about that later.

But that's what we're doing. And once we incubated it for three years, we went to the private sector and said listen, boys and girls. We have done this, we've put our money where our mouth is. Would you like to join this program?

And then this is -- we would like to say that this could be the very nascent, very early-stage platform that the private sector can say, here, we can be activists. And we're actually going regional: we're in Egypt now working in one of the *'ashwa'iyyat* [informal settlements], the chaotic districts there, to see how we can take that model and adapt it to the Egyptian community. (Applause)

MS. NELSON: -- in government, great. Thank you. Nada?

Thank you, thank you, Fadi. There are a number of very interesting sort of collective examples.

But, Nada, on to you. What can you say from the perspective of the U.N., or not just the U.N., but the donor community in general? And particularly around sort of decent work program, where are some of the exciting opportunities, challenges?

MS. AL-NASHIF: Oh, thanks, Jane. I feel like I'm the token bureaucrat, especially after Fadi on this panel.

And I'm delighted to come after him. If anyone has any doubt, this is a very unrepresentative sample of the private sector in the Arab world.

I speak --

MR. GHANDOUR: (Laughter) This is an elitist statement --

MS. AL-NASHIF: It's the truth, I'm glad to hear it's changing.

And we've seen that change.

I work with the International Labor Organization. We're the only part of the U.N. that is tripartite, which means that in addition to governments, I have workers and employers sitting in our governance structure and forming our constituents. It has been an impossible task to pull in chambers of commerce and industry and ordinary, everyday businesspeople into the business of social development on a day to day basis. And I think that this is some of the biggest challenge we have.

But let me talk about what we can do, because if I go by the key challenges that were identified in the report, the United Nations along with the donor community -- we think of ourselves as partners, not donors -- often have a network of development programs that operate at both the national and the regional levels. And these are quite often funded -- fairly well funded because of our efforts -- and respond to very broad national socioeconomic needs. And this can and has been a platform for development action. Where we have tried and continued to try to innovate and use entrepreneurship at the individual level as well as the more corporate.



Concretely, I think three basic ideas where we can certainly -- I mean, we welcome sort of the institutionalization of social entrepreneurship. First of all, we are going to get very engaged in supporting the clarification of the concepts and the definitions, as Tarik said before. This is a new field. There is a lot of confusion -- and Fadi just confirmed -- in the advocacy around these efforts. Is it philanthropy? Is it charity? Is it corporate social responsibility? We're not really sure. There were a lot of individual efforts. The number of people I know who are well-off citizens, who are running their own scholarships, their own endowment programs, their own -- it's scattered. It really needs a lot more coherence. And if we're going to ever be able to punch above our weight, there needs to be some coherence in it. And this is a good promise.

On the area of advocacy, therefore, we have a role to play. And I think that we can learn from our efforts to introduce other concepts. Jane mentioned Decent Work, which is an ILO thing, but gender mainstreaming and others that have had difficulties in the past. And I think we are going to be committed to exploring the good practices to piloting and to documenting. And this whole area of documenting, benchmarking -- I think Sonal Shah spoke about the importance of establishing the benchmarks.

The second big area for us is actually directly engaging the

social entrepreneurs to implement some of our programs. What exists at the level of U.N. country teams in every country are multidisciplinary programs that basically work on local area development, we work on green jobs, we look at economic empowerment of women -- this whole area of skills development and job matching programs, which are very big for us.

I'm reminded, there is a Palestinian social entrepreneur, I guess, now, I know in Palestine who does job matching using text messaging. It's a good story. And I'm particularly intrigued because I break my head with labor market information systems and national employment offices that don't work in the Arab world, and so, you know, we're trying to figure out how we can grow his model to scale a little bit in Palestine, which is interesting.

And already the corporate social responsibility processes -- and we are already seeing a qualitatively different type of engagement from the private sector in these areas. It's nascent, I think it's absolutely correct, but I think that the U.N. certainly can help. And we can do some leapfrogging. This is against sort of the bigger picture of my obligation not to give up on education reform, but very much in parallel, because I think we lack the incentive structures, and I think, again, Fadi is right to say that someone needs to understand where the return is coming. And I can't just do it with ministries of education because this is a traditional recipe. We've

all been there, we all understand how dysfunctional the education system products are that are totally out of touch with what my private sector partners say they need in a modern labor market. But we're going to have to look for some ways to sort of make entry points into that big formula.

And perhaps thirdly, there was a big discussion in the summit on the role of governments -- necessary, helpful, useful, you know, how do we do it? I know for sure that it's critical. And in the end, for anything to be sustainable we need to look at the enabling environment and this is a very big part, this is only one formula.

For me, the issue of entrepreneurship has to lead to jobs. In the end, this is all where -- and a quality of life, which is qualitatively different. We're still in this level of a very elite number of people. One of the findings of the report was the profile of these people are all Western-educated, they've spent some time on the -- it's a little cocoon of privilege at the moment, even though the returns, I think, could grow enormously. But what we're talking about is how we can transform those models. Push them down, I think, to the level of the grassroots by using the models, by using emulation and replication. But really, move them up.

And if we look at business in legal regulatory environments we are very well-positioned as the U.N. because quite often we are an independent source of advisory service. And we are making sure that these

are inclusive in their remedies and their prescriptions for policymakers to support the targeted cultural change that we need.

Again, yesterday we talked about the ethic of work in our countries. And it's a big range and, again, we struggle with the culture of work. And it's an important aspect, again, of encouraging innovation and enterprise. But we need, I think, to make sure that we're not just going -- even on these enabling issue set of challenges -- not just through the traditional line and sector ministry. More and more, we work with coalitions. And this is active parliamentarians who can come in and understand what's in it for them. Local government officials in municipalities, quite often -- we're piloting. And there's no need to do everything at the regional level or the national level.

And I think, you know, local government is always a very good way to start. But the idea is to look at more institutional buy-in. And I think that's the only way, in the end, to make sure that these are not just individual, you know, lights in an otherwise bleak landscape. But to try to move it forward as a whole that can really add value.

MS. NELSON: Thanks very much. Now I'd like to pick up on one thing sort of in terms of working with the private sector collectively. No one said anything about sort of industry sector coalitions yet, and it seems to me if we're trying to sort of match the jobs to the people, the industry

coalitions are important. And do you want to say a quick word on that? And then --

MS. AL-NASHIF: I mean, our natural partner[s] are business chambers of commerce and industry.

MS. NELSON: Yeah.

MS. AL-NASHIF: And what we're trying to do is make that -- because there's also this regulatory environment is very -- I know, they're not the real private sector. Are you going to say something about that?

MR. GHANDOUR: Can I say something about these people?

(Laughter)

MS. NELSON: We know what you're going to say, Fadi.

MS. AL-NASHIF: No, no, no, you can say in parallel.

(Laughter)

No. With all -- but, I mean, it's -- we're realizing it's a small part. Let me go back to the definition of civil society because --

MR. GHANDOUR: For the lack of other platforms, you have to work with these people.

MS. AL-NASHIF: That's right, that's a good way of putting it.

MS. NELSON: And they (inaudible).

MS. AL-NASHIF: But I like to think there are partners of choice, not just of default. But the issue is that if civil society -- we work with

trade union federations and I think that's a very important part of the equation. And getting their buy-in into these models that could generate additional productivity is very important.

MS. NELSON: Yeah. And I think you're picking up on what I'm sure Fadi would be sort of moving towards -- there's the traditional industry associations but, you know, are part of the infrastructure and we have to make work. But I think the opportunity for new sort of, sector-based -- like, you know, the construction industry and, Ahmed, I'll come to you now, because you've got an example -- or the transportation sector working together on a sector basis, I think, is a new sort of modality of engagement that we need to look at collectively.

But -- and, in fact, there's a good part to bring you in, Ahmed.

MR. YOUNIS: Thank you.

MS. NELSON: From the Silatech perspective, could you share what you're doing as a sort of a social investor in the region? And particularly working with the private sector?

MR. YOUNIS: Sure. Actually, what I'd like to do is be the -- since Ehaab here is the author of the report, although he's really, you know, a social entrepreneur if there is one in my generation in the Arab world -- I'd like to give the perspective of a social enterprise. And what this paper does for me as someone that, like Nada said, was raised in the West, has an

education from the West, but went to the Arab world because I have cultural heritage there and wanted to be part of a social enterprise that was going to do something. That turned out to be Silatech. Silatech is an attempt at creating jobs for young people in the Arab world.

The first thing that the report does for me as someone that's engaged in social entrepreneurship in the Arab world is it lets the region know and lets the world know that young people are on fire in the Arab world. They are very much engaged, they are blogging, they are starting institutions, they are attempting to figure out how to run these institutions. Our poll -- the Silatech Index, which is a project with Gallup -- we found in the first 2 waves of our polling that 24 percent of 18- to 29-year-olds in the Arab world plan to start their own business within the next 12 months. That's compared with 4 percent of Americans the same age, and 4 percent of Europeans the same age.

So someone will tell you, well, that's because there are no jobs existing for them and so they have to create their own thing. Well, the people that say they plan to start their own job turn out to be the most educated and turn out to be the ones that are most likely to say that they would like to move permanently away from their country. So, the region doesn't just deal with something called brain drain, it deals actually with kind of SME drain, or the drain of that force, that catalyst within society that

creates something that is beneficial to its economy. But the report tells us through the examples there's a lot of work happening in the Arab world.

So the first thing it does is it tells the world: we're working on it. We know that there's a challenge and we're working on it. The second thing that it does -- as somebody that's trying to run a social enterprise -- is what structure do I use? How does it function? Where do I get my money? How do I make sure that what I'm promising the people that are giving me money I'm doing -- I'm actually doing?

So if I were to tell you my goal at Silatech, it's to reach sustainability at scale with co-invested partnerships that generate income that I can then recycle into programming. On page 2 of the report Ehaab and team give us a categorization of the types of social enterprises that exist in the region. So I'm able to say, okay. Now I see a matrix. Where do I fit within that matrix? And is this the best place for my cause to be, my mission drive to be? Or could I have another structure that's more conducive to my success, more conducive to its sustainability, et cetera?

The second thing that the report does for me as somebody in the region is it begins the accountability and applause process of engaging the corporate sector as we speak about social entrepreneurship. So if you look to page 35 -- it's going to kind of feel like you're at the mosque or you're at church or something -- but if you turn to page 35 -- (Laughter) Abdou 13-



35 -- you know, there is a mapping process. And he tells you, you know, Fadi Ghandour and his people, well, they're over here in terms of the sustainability of their model. How much of it is money that they're just putting in and how much of it is something that is regenerating in and of itself and will be carried on after these individuals and their emotional or intellectual investment in the narrative of their social enterprise begins to end? Is this something that can be carried on? What are the people -- what is [Ahmed] Heikal at Citadel's Group doing? What are the different institutions that exist in the region? Where are they mapped in terms of the things that they're doing? And how can I as a social enterprise go to them and say, be a part of what I'm trying to do in the region?

And how can I get them to be like, sorry, somebody at Aramex, who says, you know what? I'm going to post not only earnings, not only my performance vis-à-vis "shareholders," I'm also going to post my performance on social entrepreneurship. I have decided with the money of this institution to do one, two, three, four -- let me report how I'm doing and let me get over the challenge of the ego that there are some things that don't work and some things that work because social entrepreneurship is exactly the same as entrepreneurship. You will necessarily fail a number of times before you strike it big and do something that actually works.

Another thing that the paper does for us is it gives in a pithy

and erudite way a series of recommendations that are being screamed for by the sector, by those that are engaging in social entrepreneurship in the region. For example, the paper calls for a multi-stakeholder approach to the challenges that affect, from my perspective, young people and their ability to grow small- to medium-sized enterprises and their ability to go to a Silatech loan from Al-Amal microfinance bank in Yemen and my ability to get sectors -- as Jane was speaking to, as Nada was speaking to -- to be a part of the conversation.

So, how is it that I can do that? Well, I can do something like I can create a corporate council. Corporations that are in the region that need to make a commitment to ensure that their supply chains are being fed by the region -- that the goods and services, that the engagements that they are making to put together their service or to put together their for-profit enterprise -- is using the talent and the resources that exist in the region.

Well, the corporate sector is going to tell me the skills are not there. So I, as a social enterprise that's focused on job creation, have to go find the people that have the know-how, that can institute programs to ensure that I can innovate. As Sonal was saying: it's not just a computer chip -- the chief technology officer of Silatech is going to kill me for saying it -- innovation is not just finding a way to get people to do something new technologically.

In my sector, for example, I have to find an innovation to begin to link training with job placement. I don't need any more trained young people in the Arab world. I need young people that are trained for a specific job that exists there now. I can't do that in the Aramex field of work unless I engage with Aramex, because I won't know what I need, I won't know what opportunities are available, and I won't know how the markets are moving so that I can get my young people into that type of work.

MS. NELSON: Great, thank you. Thank you, Ahmed.

And I think one interesting example that Silatech is doing -- to give another example -- is in Yemen, for example, working with the construction industry. And again, not just one company here, one company there, but collectively trying to get all the construction companies to work together with the education system and with the social entrepreneurs. So, I think the sort of collective sector-based action is going to be an important way forward.

Right. You've all been very patient, some very interesting ideas there. The U.N. leapfrogging, which sounds like a great idea on the innovation front. And I liked your framing of sort of accountability and applause: it's actually holding companies and social entrepreneurs accountable, but also recognizing and applauding the good practices. And I think that's a great way to think of the balance of moving forward.

We've now got sort of 20 minutes for some questions. I already see two hands there. What I'm going to do is take sort of two sets of questions in three so we can get as many in as possible. So why don't we have, you know, one, two -- right at the back there, one there, and then one on the -- just on the left here. Yes. And if you can quickly introduce yourself and -- question with a question mark at the end and keep it short.

MR. AMIN: Yes, hi. I'm Magdi Amin from IFC. I work on East Asian Pacific, and we see models -- relatively successful models -- where you have an institutionalization of this interaction. And I would say the better work -- Cambodia is one of them, and another might be the roundtable on sustainable palm in Indonesia -- if you see the ingredients, would be effective CSOs that can raise awareness among citizens or consumers and then respond to firms, but in a platform.

So, I'm wondering where is the main gap? Is it a lack of the platform? Do the CSOs need more capacity in order to engage? Are citizens and consumers responsive to the messages about the lack of sustainability? Or is it, you know, all of the above? Or just if we could target more effective CSOs or more platforms like those examples?

MS. NELSON: Coming back to this idea of collective platforms, again. Thank you -- and sector. There's a person right at the back there, right at the back. And then the gentleman there. Yes.

SPEAKER: So, as you know in the Middle East, which is not run by democracies, the ministries of education are quite resistant to change. A lot of discussion was between reforming public sector and the educational sector. So, the ministries of education are quite resistant to change and improvement. And, in fact, I feel like it does not behoove them terribly to build the society to be more educated. In my country, in particular, which will remain nameless, I feel -- you guys all know me up there. (Laughter) You know where I'm from.

MS. AL-NASHIF: Having been with you for two days, now.

SPEAKER: I sometimes often wonder, is it part of their agenda to actually devolve the population to becoming less and less knowledgeable? Because sometimes they make these decisions that are outrageous.

So, I just wanted to ask, you guys mentioned that you work with the public sector and I think, Nada, you mentioned ministries of education. Could you just help us share your positive experiences and strategies and helping them to actually push forward and to try and reform for the better to help the education -- the population to be improved.

MS. NELSON: Great question. Thank you.

And then that gentleman there, yes. Thank you. Very quick.

MR. BAHL: Thank you very much. Janedi Bahl from

Pakistan. It's very inspiring the work you guys are doing. And Fadi Ghandour, if you were not doing what you're doing, you would have been a rock star. Probably bigger than Bono. (Laughter)

My question --

MR. GHANDOUR: But I was an aspiring one. (Laughter) I failed, so I moved to sustainability. (Laughter)

MR. BAHL: Try again with a different instrument next time.

The question is very simple. When you engage the private sector, it boils down -- you could do top-level relationships and it's very cool for the CEO to sign a photo op saying, oh, yeah, we're going to help with this foundation -- it boils down to the people in the company who need to go out and volunteer the number of hours.

Now, I know you're doing this very successfully in your firm. How do you inculcate a culture of volunteerism in a very hardcore capitalist organization? I run an investment services firm. They're young people, smart people, out there looking to make money. How do we get them to go out and volunteer? Because they're very impactful people. If they go and give their time to the social sector, they will have an impact. But how do you inculcate that culture? Is it something that you have to look for during your recruitment process that you look at then? Or you motivate them in a certain way?

Thank you very much. That's my question.

MS. NELSON: I think three questions there about institutionalizing and the education system. Nada, why don't you pick that up, the sort of sector platforms, Ahmed, and then institutionalizing within a company.

MS. AL-NASHIF: Education? All right. The easy one.

I think this is -- I don't know where to begin on this question. Whose interest is it in anyway to have an educated population or a people? I think the issue is now we're on an irreversible road towards information. And it's in no one's control anymore what we know and what we don't know, and least of all ministries of education, I would say.

The problem that we have in the field of education still today in the Arab world is this big -- you heard about the Arab human development reports -- this huge gap between a very good education for the few, which is very expensive, and a mediocre education that is free for the masses. And I must say, I don't think education ministries have been reluctant or resistant. I think they've done some things that have been very impressive. If you look at the role of female enrollment in schools, if you look even at graduate figures, we're not doing bad on the quantitative side. The issue is still the quality of the education and the methodologies. It's not a coincidence that most people who are here who are engaging in the conversation have still

benefited largely from Western education.

And I think what we're trying to do is -- I'll just give you a quick example. Several countries now are realizing that education and labor have got to come closer together. We're trying to have more tripartite discussions, which is bringing the private sector to sit on the boards of institutions, like those of technical and vocational education institutions. Where basically we're saying there's no point generating all these people in the traditional skill set that doesn't really work anymore and doesn't have any prospect, either for social mobility or for financial sustainability and then breeds this other sort of difficulty.

So, we are making some progress on the conversations, and we have some interesting programs that are piloted in some countries that you'd be amazed. But in Saudi Arabia, we have a couple of good examples, Jordan is putting a lot into this, and Lebanon we're making headway on parallel systems that are coming together a little bit more. It's not going away, but I think we need to supplement it with non-formal curricula and education and apprenticeship systems that can fill in the gap on the outside, including all of this, which is mentoring -- I think, which is very important -- that comes from a different knowledge set, let me say.

MS. NELSON: Ahmed, this thing of sector platforms and --  
yes.



MR. YOUNIS: Well, you know, in sector platforms or in other arenas, you know, one of the challenges of social enterprises and their engagement with multinational corporations or with governments is simply the monitoring and evaluation process of their own initiatives, and the key performance indicators of the agreements that they've made.

Many times, we as institutions are too small or don't have the skills or the knowledge to ensure performance by our huge partner that is looking at us as a little part of what they do on the side, but they have their kind of daily bread and butter to make on a regular basis. And this is something that the report points to is there really are not monitoring and evaluation schemes [or] criteria that are standardized. Because everything that we do is so interdisciplinary. Most social entrepreneurship is relatively interdisciplinary until you can find a way to sustain the money-making process of what you're doing. Then you usually find yourself feeding quasi-comfortably in some sort of a sector, and you begin to adopt the M and E [monitoring and evaluation] schemes of that sector into your social enterprise.

But for those of us that are 18, 24 months into it with 30 employees and 30 memorandum of understanding on a variety of projects that are extremely important, extremely well-scoped, and relatively well-functioning, for me to have the knowledge and capacity -- it's an SDS, BDS

issue as a social enterprise -- for me to have the knowledge and capacity to ensure performance at the highest standards pursuant to the creation of an employment council or any other project that I'm trying to do -- a knowledge consortium, for example -- is something that I -- it's a growing process and mentorship, amongst many other things, are the way to develop that knowledge (inaudible).

MR. GHANDOUR: Yeah. Well, look, the private sector in the region and in the developing world, if it wants to start attracting a young and upcoming generation that is highly educated and completely wired, they need to have a corporate culture that -- look, talent interviews companies nowadays. We don't interview people, they interview us, and they -- the good people will choose where they want to go. If you don't have proper, serious sustainability disclosure, CSR programs that are serious beyond the PR, people will go where they feel they're engaged. Because the future -- today's, let me not even say the future, today's young people, whether educated Arabs or Muslims that are educated in the West or educated in our private sector companies -- let's not talk about the public sector -- want to have job satisfaction beyond salary and beyond the immediate contribution to the company (inaudible). So, if you have a company that engages them in the community overall, you are going to have a competitive advantage in attracting these people.

So, let me give you an example now, not of Aramex. Now I'll talk about Abraaj. Abraaj has a program that says 5 days -- 5 percent of profit, 5 days a year of your time in community work in the projects that they invest in. And they go and seek. We have Fred Sicre here who sits -- he sits with us and runs that program for Abraaj. And they actually go from country to country to the institutions that they support and they find programs so that they can bring their people to come and engage. And there is a demand for it inside the company. So, it's not like here, you're forced. You actually have to pay for it, okay? So, you actually have to pay for it.

In Aramex, for instance, we give incentives. So, if you do community work, your bonus is going to be better. So, you -- some people say, well, you know, it's not volunteerism if you're paying -- it's okay, so what? It's not. So, let's not hide behind things.

But let me add a couple of things related to education here. You need to watch the four first ladies. And there are four first ladies in the Arab world that are extremely active. So, our Queen Rania, Sheikha Mozah, Suzanne Mubarak -- Mrs. Suzanne Mubarak -- and Mrs. Asma al-Assad. These people -- in Jordan we call them royal NGOs, and why not? (Laughter) Look, I have been involved in them, I am proud to have been with them. What did I say?

SPEAKER: (speaking in Arabic)

MR. GHANDOUR: And they work. They work, they are -- they work. They create maybe parallel systems, but they work. Watch what they do in education, watch what they do in empowerment. These are important -- Silatech is, I mean, is an example of Sheikha Mozah's activism. So, watch that space.

MS. NELSON: Thanks, Fadi. Ehaab wants to make a quick word and then we'll get a few more questions in for wrapping up.

MR. ABDOU: Yeah, just to answer the question from the gentleman from the IFC about the civil society organizations. I think it's a very excellent question. We do touch upon it very much because the vast majority of our social entrepreneurs in the countries that we covered across the Arab region are actually registered as not for-profit NGOs, simply for the lack of other, better legal options.

So, I would -- if you want us to put it in priorities, I would say first, it's the lack of capacity on civil society organizations and then, the lack of platforms and networks.

But it's not their wrongdoing. A lot of times, it's due to the lack of conducive regulations and legal framework for NGOs in the region. In some countries this has been opening up positively, but in the vast majority of the region, unfortunately, it has been retreating in a very alarming manner: closing down and putting further restrictions on forming NGOs, on achieving

financial sustainability, and so on, which is basically one of the main elements of social entrepreneurship, this financial viability as we introduce it.

But also we have another issue that we have seen is that international donors in a way encourage that lack of sustainability in their manner of providing grants for short-term support. We have seen organizations as the International Labor Organization launched the African Social Entrepreneurs Network out of South Africa, or USAID support the Synergos Social Innovators Program across the Arab world. But these remain also still some of the exceptions rather than the norm. And then definitely comes the role of platforms and networks that we have been highlighting, again, the role of incubators and so on. But maybe first, the role of the legal framework and international donors in supporting and strengthening civil society organizations.

MS. NELSON: Great. I think sort of the IFC sort of doing business framework is something to explore in this. And Fadi just wants to make one more (inaudible) --

MR. GHANDOUR: Just one thing --

MS. NELSON: Hundreds of hands, but --

MR. GHANDOUR: There is a group that has come out in the Arab world called the Arab Sustainability Leadership Group. These are a group of companies that are local and regional and multinationals, and they

have either produced sustainability reports or intending to produce sustainability reports. There are country-specific chapters that are popping up now. And, again, watch that space. It's very interesting.

MS. NELSON: The moderator's absolute nightmare. I can see about, yeah, 10, 15 hands. But there's one very persistent one there. There was a gentleman -- there's a person right at the back with a scarf on. Right there. And this gentleman here have both -- three very persistent -- sorry, everyone else. But there'll be time --

SPEAKER: (inaudible)

MS. NELSON: Oh, that's true as well. (Laughter)

Well, now, I want to hear everyone's ideas in full.

MS. GARDENER: I'm Nina Gardener, and I consult for Vital Voices, the OECD, and a number of companies on CSR. And I just wanted to talk about the issue of women's entrepreneurship because we're talking about entrepreneurship in general. But there's been a lot in the Arab development report about that sort of low-hanging fruit, very highly educated women and, in some countries, more than the men. What to do about this in terms of a return on investment -- the minute you educate these women, what are they going to do? How can you all -- are you tracking it in a gender disaggregated, statistical way? Because the metrics are important. And what are you doing to address it specifically?

And a quick question for Nada on the ILO. The OECD is working with these governments on investment program to -- because they want more direct investment. Is the ILO working with the OECD on the women's entrepreneurship angle?

Thank you.

MS. NELSON: Right at the back. Exactly, thank you. Keep it short and sharp, please. Thank you.

MR. MUNIR NABTI: Sure. My name is David Munir Nabti. I run a social incubation workspace, a small one, called Rootspace, and a youth newspaper, community newspaper, called hibr.me. And I had two quick questions: one in terms of urgency and a second in terms of foresight and planning.

I feel like it's great that everyone's here and so there's interest from this side and there is some kind of activities going on in the Middle East, but I don't get a sense of urgency in crisis. And my view from -- you know, I heard that there's some countries that have 100-year planning commissions. And now we're looking at the next couple years, 5 years, and an almost crisis approaching, and I don't get that sense of, you know, raising the fire alarm and really pushing things at an urgent pace.

And I was just wondering from the panel, if that is happening or why not?

MS. NELSON: Thank you. Over here, thank you.

MR. SENA: Hi, thank you. I'm Steve Sena. I'm an international development practitioner. I'm actually here representing the World Computer Exchange. It's a U.S.-based social enterprise, operates globally, very volunteer-driven, partner-oriented. I'm the Middle East regional manager, and I've been trying -- I've reached out to the Middle East Youth Initiative and I've been trying -- we need to scale, basically. We can get thousands of computers into the region for a little under \$100 a computer set, and we need to scale. In order to scale, we need partners in the region and lots of them because most of them can only do 20, 10 computers. We need 200 to 400 to get a container.

Anyone in this room, if you can help me get these computers into Jordan, into the region, let me know.

MS. NELSON: Thank you.

MR. GHANDOUR: I'll tell you what, I will ship your computers free of charge to the region.

MS. NELSON: There, we've got a deal made. (Applause)  
So, not a question, already a deal broker.

MR. GHANDOUR: And I'll -- yeah. I'll volunteer to hook you up with the networks.

MS. NELSON: Great. Thank you.



So, that question has been answered, and two questions to be answered. And any concluding comments and thoughts. Nada, and then Ahmed.

MS. AL-NASHIF: Let me take the women's entrepreneurship one. First to say I think we are working with the OECD, but it's at the corporate sort of academic level still, at this -- policy level, let me say -- within the organization and not specifically in the Arab world.

Being a women entrepreneur is a double whammy. It's like being a young woman -- the risks are that you're going to be unemployed as a youth and then unemployed again as a woman. So, that's what we're facing.

But over a number of years, obviously, I think this has become better understood and we have a number of programs that are going on at the moment that deal with all this. Certainly for the ILO, we have a lot of studies, policy briefs. We are tracking, I think, the situation. And guides, particularly some tools in the area of enterprise development and gender equality, something we call WEDGE, I have a lot more information about that. And then, this GET Ahead for Women in Enterprise and then some capacity-building guides.

And we're doing applications of all this; basically rural women producers has been a big sort of area of focus for us, but in conflict settings.

So, we're talking about Iraq, Palestine, Yemen, and Lebanon. And then, looking a lot at economic literacy among women and rural women producers, a simplified value chain approach, and looking at the cooperative movements, and engaging women, as well.

I think at the whole, what we have, again, in the Arab world is a series of women entrepreneurs at the top who have been the focus of success and success stories. And it really doesn't trickle down all the time. And so, I think the issue for us is how to get to that grassroots base and ensure this mainstreaming that happens from the beginning in -- whether it's programs for disability, it's programs for local economic development, and we're looking at the post-conflict setting, in particular.

So, it's a big area of work for the entire U.N.

MS. NELSON: Ahmed, some closing comments and thoughts.

MR. YOUNIS: Forgive me, Jane. It's very important for us as well. At Silatech, you know, there has to be a way for institutions that are organic to the region that are not interested in succumbing to kind of gender conversations, that relate to development for the sake of talking about gender conversations, that relate to development, that are serious about providing access to young women, in our case, for all the things that a young man needs in order to build an SME, et cetera.

So, in our SME loan guarantee fund with USAID that was announced at the White House summit, half of those people will be women that get the money. And our Khadija project on social entrepreneurship in Yemen, coming to Syria, that is all about women. Our microfinance loans are primarily -- you know, we're based in Qatar. Seventy-two percent of Qatar University is women. You want to see entrepreneurship? Come meet some women inside of Doha. Imagine what's happening in Cairo and Beirut, et cetera.

But I want to respond to the question in the back about urgency and crisis. We are very -- forgive me, I'm going to speak just as somebody from the region, on behalf of the region.

MS. NELSON: Very quickly, yes.

MR. YOUNIS: We're very sober about the challenges that exist for our region and the challenges that exist for the generation that we now are calling "young" and for generations that are to come, but I speak as a 31-year-old. We are ready, we have the skills, we have the education, we are humble, we are ready to learn, and we're ready to work 20-hour days with two Blackberrys and live on airplanes in order to bring about the serious change that needs to be done in our region. Nahdet El Mahrousa is not a joke. It's a real organization doing real stuff. Ashoka is not a joke, Ruwwad, these are real serious institutions.

And so, yes, there is a challenge. That challenge is amplified -  
- at least in my space in unemployment -- vis-à-vis other regions of the world  
that are challenged. But this region has what it takes to get over the hump  
that it faces. And I think it's important for people in my city, Washington,  
D.C., to remember that when they look at the region.

MS. NELSON: Fadi, comments and responses?

MR. GHANDOUR: I think you have seen my sense of  
urgency today, so. (Laughter)

MS. AL-NASHIF: Like I said, not representative.

MS. NELSON: How un-mainstream (inaudible) is that  
institution-wise?

MR. GHANDOUR: I spent my time -- look, I have a big  
business to run. By the way, they speak about dynamics. I offered you free  
of charge shipping because I am in the shipping business. So, I mean,  
that's why.

But, look, I think it's essential that the private sector gets out  
and becomes -- preaches and talks about it and actually goes out and does  
something about it. We -- I spend a heck of a lot of time doing that because  
I feel that sense of urgency, David. I feel that sense of urgency, just like you  
do. We just need to have more and more -- we need to scale up. We need  
to have that massive amount of people that goes out and does things.

MS. NELSON: Closing comments to our lead author, Ehaab.

MR. ABDOU: Thank you very much, Jane. Thanks,  
everybody.

I'll very briefly -- two things. David Munir Nabti, who is a wonderful social innovator from Lebanon who was part of several of our discussions in the region, definitely, as we laid out in the beginning, this is just -- this report is only a beginning for the next steps. And this is why we're having this launch event, actually -- and this wonderful panel with us, and all of you with us today, we're very happy to have you engage with us -- is basically to put on the table and forward these recommendations, many of them as you will read more and in more detail, and that I just mentioned earlier, are very action-oriented, detailed, crisis-driven ideas. So hopefully, we will -- together with all of you -- be implementing them. We have been already discussing with some potential partners such as Fadi, such as Ashoka, and -- among others, and we are open to suggestions.

So, that's just to briefly say that. And just very briefly, sorry, to thank you because in the beginning I just forgot to, so I just want to thank again everybody who made this report and this program possible, in general. Dubai School of Government -- and we have with us Tarik Yousef today, the Middle East Youth Initiative, we have Johannes Linn and we have Samantha Constant, without which this would not have been reality.

And our co-authors, again -- Jane Nelson, Amina Fahmy, and Diana Greenwald -- and everybody else here, we have so many people who have contributed with their thoughts, with their reviews, and so on.

So, thank you very much, again. I will look forward to working with all of you in the near future.

MS. NELSON: Thank you, Ehaab. And I'd just like to --  
(Applause)

Thank you. By way of sort of closing comments on my side, I think sort of three real sort of takeaways out of a very rich discussion.

First of all, one key message of this, there is clearly an enormous amount of energy, dynamism by leaders in the corporate sector, leaders in the social sector, leaders at the community level, leaders within governmental institutions. And that needs to be, you know, continued and supported. But I think this point of trying to institutionalize and mainstream and, however difficult, bringing government on board, you know, and integrating into the existing institutions as well is going to be critical going forward. So I think it's both the dynamism and the institutional structures that, you know, both have to be connected together increasingly.

Secondly, and it's come out in sort of different manifestations, but this concept of platforms. Whether it's a technology platform, whether it's the type of coalition that our colleague from the IFC spoke about at an

industry level, or the decent work platform, actually getting focused platforms where the different actors can come together rather than just talking about partnerships in a generic term, I think, is important. And it's not one-on-one partnerships, but it's not trying to make everyone partner with everyone. More specific, focused platforms is important.

And then, thirdly, I think, which comes through again and again and as much as -- you know, not just to our panel, but as I look around this room here, that acknowledgement of the individual leadership role and how crucial that is. And I think it's those three areas together that give the enormous challenges that the region and indeed, we face everywhere. But those are sort of the three ways I think that are going to be interesting moving forward.

And I hope with our research program we can, you know, look increasingly at this concept of these collective platforms as well as some of the other ideas that Ehaab had spoken about.

But thank you very much. I think people will be around if you've got any other questions. Thank you.

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