

RELEASE IN FULL

From: Slaughter, Anne-Marie <SlaughterA@state.gov>
Sent: Tuesday, October 12, 2010 10:39 AM
To: H
Cc: Sullivan, Jacob J; Abedin, Huma
Subject: some nice news

To take your mind off the Balkans for a second, see below – a great plug for our global entrepreneurship program, which Lorraine Hariton and Steve Koltai are running. I commissioned a memo last week from Greg Behrman on S/P as to how we could pull the various different entrepreneurship efforts/initiatives that are part of MEPI, post-Cairo follow up etc. into something bigger under the Global Entrepreneurship Program umbrella; we will have it for you when you get back.
AM

From: Behrman, Greg M
Sent: Tuesday, October 12, 2010 10:25 AM
To: Slaughter, Anne-Marie; Chollet, Derek H
Subject: FYI, a nice piece

FINANCIAL TIMES

Innovative path for Egypt's entrepreneurs

By Ian Wylie

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<http://www.ft.com/cms/s/2/ebfe3b30-d2e6-11df-9166-00144feabdc0.html>

The Great Mosque of Cordoba in Spain is the inspiration for the grand, domed entrance to the American University in Cairo's new campus. Its architects wanted to symbolise the height of intellectual and mathematical achievement in Islamic civilisation.

But this new \$400m, 260-acre oasis of sandstone, *mashrabiya* window screens and *malqaf* windcatchers in the 40-degree heat is also a hot spot of western credo: entrepreneurship.

An hour's drive east of Cairo's gridlocked streets, the Cairo desert campus is one of the first nodes in a network of universities and business schools that the US government is using to support and educate entrepreneurs in Egypt and other Muslim-majority countries.

"Tell me what innovation we Egyptians have done since the pyramids?" asks Hassan Azzazy, a professor at AUC, who points out that Egypt was ranked last in a study of education in 30 countries by Global Entrepreneurship Monitor, a not-for-profit academic research consortium.

"Where are all the entrepreneurs? The Egyptian mindset needs to be rewired. We are not China – but we are blessed with a large number of smart people, so education has to be the missing link."

It was to Cairo that Barack Obama, US president, came last year to announce foreign policy toward the Middle East and that promoting entrepreneurship would be the platform for encouraging economic, political and social change.

It was Egypt that Mr Obama selected as the pilot country for a new Global Entrepreneurship Program. Some 17 organisations have signed up to this US-inspired effort to educate Egyptian entrepreneurs – including AUC and Nile University and their business schools, the Ministry of Communications and Information Technology and the Egyptian Junior Business Association.

But it is a project that might have caused even the Pharaohs to pause. Throughout its history, Cairo has been a crossroads in the trade of spices, silk, incense and gold between Africa, the Middle East, Europe and the Asia. But today Egypt is far from being a top entrepreneurial economy; the World Bank ranks it 106th among 183 economies in terms of the ease of doing business. More significantly, says Prof Azzazy, young Egyptians still hesitate to take the entrepreneurial path.

According to Prof Azzazy, the prevailing culture discourages entrepreneurship but exalts positions in academia or the government. It does not help that going bankrupt is still a crime punishable by imprisonment. “Parents in Egypt will tell you, I want my son to have a government job, it’s secure. Their children will say, I would like to start a business . . . but I might lose money. We need to change this.”

Prof Azzazy is not a professor of business but chemistry. At AUC, he has been replicating the work he pioneered at the University of Maryland, where he helped teach biotechnology students the skills and training to spin out their ideas into companies. He has since introduced entrepreneurship courses in AUC’s school of science to graduate students and in the engineering school to both degree and graduate students.

In 2008, he was appointed by the Ministry of Industry to work alongside ETF, a European Union agency that supports education in countries surrounding the EU and has marked entrepreneurial learning as a priority. With the representatives from 16 other countries, Prof Azzazy helped draft entrepreneurship education indicators and policy objectives for both government and universities.

“We agreed that universities must implement entrepreneurial learning across campus and achieve a critical mass of professors who can teach it.” After hosting a conference at AUC on the topic, Prof Azzazy convinced university provost Lisa Anderson to pilot the indicators.

“But AUC has 6,000 students, compared with Cairo University, which alone has 250,000,” says Prof Azzazy. “We need to transfer this experience to larger universities, so we are in the process of developing a national policy to introduce entrepreneurship.”

Prof Azzazy works in partnership with AUC’s School of Business. “I can teach biotech entrepreneurship, ethics and intellectual property, but I do not teach business planning or marketing” he says. “When it comes to that, we bring in faculty from the school of business. I know the science, so I can speak the same language as my students, but we respect expertise and we do not cross boundaries.

“We’ve also been thinking about introducing entrepreneurship into the core curriculum so that anyone coming to AUC, whether they are doing music or engineering, would have to do it, regardless of their discipline.”

Last year, AUC restructured its School of Business to align undergraduate and graduate programmes with three themes: entrepreneurship, innovation and leadership. The school is also the location for one of Goldman Sachs’s 10,000 Women in Leadership and Entrepreneurship Centres, where it delivers certificate programmes in partnership with the Wharton School at the University of Pennsylvania. The 10,000 Women initiative aims to boost the number of women in developing nations who receive management training.

“Our mission is to educate principled, innovative entrepreneurs who can make a difference,” says Sherif Kamel, dean of the business school. “It’s more than just a fashion. We’ve been teaching entrepreneurship courses for 20 years but last year we decided to look at it differently.”

Is he concerned that a chemistry professor is teaching entrepreneurship within his university? “I think entrepreneurship is a very horizontal platform – knowledge should be shared by everyone and not dominated by one school,” says Prof Kamel. “In business life, you work with people from different, complementary backgrounds.

“What Hassan is doing definitely complements what we are doing. And our students will be the beneficiaries.”

Several paths to the same goal

On the door of Steven Koltai’s office at the State Department, Washington DC, is a banner that reads “World Peace Through Entrepreneurship”.

“I was an entrepreneur myself,” says Mr Koltai, a senior adviser who created and now manages the Global Entrepreneurship Program. “And I believe that entrepreneurship is something that is fundamental to every country in the world.”

According to Mr Koltai, GEP consists of six categories of activity that he believes are needed to grow entrepreneurship: identify, train, connect, guide to funding, sustain and celebrate entrepreneurs.

In Egypt, GEP is pulling together a number of training programmes, including those offered by AUC and Nile University, as well as non-government organisations, which provide training for entrepreneurs, such as the Cisco Entrepreneur Institute, which has a centre in Egypt and in nine other Muslim-majority countries. In the US, the Legatum Institute Center for Development and Entrepreneurship at MIT has created a two-week boot camp for up to 100 entrepreneurs identified through business plan competitions around the world and taught by faculty from Harvard, Tufts, Wellesley and MIT.

There is no single path. “Our different partners will offer boot camps that are two weeks long, some programmes that are six weeks long, full-time programmes or evening programmes.

“Our idea is to assemble a menu with as many choices as possible,” says Mr Koltai.

None of the programmes is being underwritten by State Department money. “We’re giving them zero dollars. What we are doing is asking them to do more with their own resources,” adds Mr Koltai.

“What we introduce to a country like Egypt is new organisations that were not previously there, such as American players, NGOs, universities, and foundations focused on entrepreneurship. However, we can also tap into existing US government programmes from USAID or the departments of commerce, education or small business administration that might be relevant. We are looking for countries near a tipping point to go entrepreneurial, but GEP will look entirely different in each country.”