

GIM Doing Business in the Middle East: Israel and UAE

Winter 2022

January 22, February 12, February 26

9:00am-12:00pm, 1:30-4:30pm

Professor Steven A. Cook
steven.cook@kellogg.northwestern.edu
scook@cfr.org

GIM Program Purpose and Objectives

GIM Purpose:

- For students to develop a foundation of knowledge about global sectors and economies through classroom learning and in-country immersion.

GIM Objectives:

- To gain a foundational understanding of the macroeconomic trends, politics, history and culture of a country or region outside the United States.
- To experience firsthand through meetings with government officials and company representatives the economic ecosystems, business practices, market dynamics, and future opportunities and challenges of a particular country or region.
- To develop the skills necessary to collaborate with peers on a project that analyzes and proposes solutions to a particular problem within a sector of industry, including the skills required to set up and conduct independent business meetings abroad.

Course Description and Objectives

The attacks on New York City and Washington, DC in September 2001 were an enabling moment that provided an opportunity for U.S. policymakers to pursue ambitious, yet misguided policies intended to remake the region. Although 9/11 marked a period of particularly intense American interest in the Middle East, the United States has been involved in the region since the end of WWII in pursuit of three core interests: the free flow of energy resources from the region, helping to ensure Israeli security, and maintaining American dominance in the service of the first two interests. As a result, U.S. policy in the region has been heavily “securitized.” In turn, the nexus of American politics, media, and popular culture have tended to produce distorted images of the region and the people who live there.

Lost in policies like the “global war on terror,” the “Freedom Agenda,” and Operation Iraqi Freedom is a region of 21 Arab countries (plus Palestine), Israel, Turkey, and Iran comprising about 400 million people with a long history of cultural and scientific accomplishments, to say nothing of the fact that the region is the birthplace of the three Abrahamic faiths. The Middle East certainly has its problems, including the failure or near failure of several states, but the region is also critical to the global economy in manifold way. It boasts a strong entrepreneurial spirit, demographic and geographic advantages, as well as enormous potential for tourism.

Northwestern | Kellogg

The objectives of the course are threefold: 1) to provide an overview of the history and politics of the region, 2) to understand how the Middle East fits within the global economy, and 3) to examine several case studies from two dynamic regional economies: the United Arab Emirates and Israel.

Attendance Policy

Attendance is mandatory in all GIM classes as well as in in-country plenary meetings. The only excused absences are unanticipated illness/quarantine or family emergencies. Because GIM classes only meet for 21 credit hours, if a student misses a Saturday class with an unexcused absence, they will be missing over 20% of the class (the threshold for being dropped from a Kellogg course) and be dropped from the class as well as from the GIM trip.

Sickness or Quarantine:

If a student needs to miss class due to illness or quarantine only, they should request approval using the form linked in Canvas. Once a student's absence is excused, they may access Zoom in Canvas keeping in mind that accessing the link without an approved excuse is an Honor Code violation.

Recruiting:

Students are expected to conduct their recruitment interviews around their course schedules. If you have an interview scheduled at the same time as this class, please work with the company to reschedule your interview for another time. If you need help on how to have that conversation or make that request, please reach out to the Career Management Center (CMC) for support.

Role of the In-Country Advisor

Throughout your GIM trip, you will be accompanied by an in-country advisor, Debbie Kraus, Director of Global Experience at Kellogg. The in-country advisor is responsible for the integrity and quality of the in-country experience. Among other logistical roles during the trip, she will be assessing each student's level of participation during the plenary meetings and will be assigning 15% of the students' overall grade.

Kellogg Honor Code

The students of the Kellogg School of Management regard honesty and integrity as qualities essential to the practice and profession of management. The purpose of the Kellogg Honor Code is to promote these qualities so that each student can fully develop his or her individual potential. Upon admission, each student makes an agreement with his or her fellow students to abide by the Kellogg Honor Code. Students who violate the Kellogg Honor Code violate this agreement and must accept the sanction(s) imposed by the Kellogg community.

The Kellogg Honor Code is administered by students and is based on the concept of self-government. The efficacy of such a student-administered honor code is dependent upon a high degree of dedication to the

Northwestern | Kellogg

ideals of honesty, integrity and equal opportunity reflected by the code. The Kellogg Honor Code requires that each student act with integrity in all Kellogg activities and that each student hold his or her peers to the same standard. In agreeing to abide by the code, the Kellogg students also agree to report suspected violations. By not tolerating lapses in honesty and integrity, the Kellogg community affirms the importance of these values.

Accommodations

Kellogg Academic Advisors and the Student Life Office work with students with disabilities to ensure that they receive the resources and assistance that they need. These offices contact the faculty member for each class in which a student is enrolled to make sure that the student receives the required accommodations. Please contact your Academic Advisor or the Student Life Office with any questions or to discuss how accommodations can best be implemented throughout the course.

Course Materials

| |
|---|
| Course materials include articles, maps, book chapters, a case study, and briefing materials for the trip to the United Arab Emirates and Israel. They will be made available to students electronically or in class. |
| |
| |
| |
| |
| |
| |
| |
| |

Course Schedule and Assignments

| Week 1/morning | January 22, 2021 |
|---------------------|---|
| <i>Topics:</i> | Welcome to the Middle East! Student and lecture introductions. An introduction to the class, history and politics of the Middle East 101, and why the region matters beyond the security-dominated narrative of American foreign policy |
| <i>Speaker:</i> | Steven A. Cook |
| <i>Assignments:</i> | Read: |

Northwestern | Kellogg

| | |
|--|--|
| | Bahout and Cammack (eds.), "Arab Political Economy: Pathways for Equitable Growth" The Middle East in Maps (in class) |
|--|--|

| | |
|-------------------------|--|
| Week 1/afternoon | January 22, 2021 |
| <i>Topics:</i> | The Economies of the Persian Gulf States |
| <i>Speaker:</i> | Karen Young, Middle East Institute (via Zoom) |
| <i>Assignments:</i> | Read: Young, "The Uphill Economic Recovery from Covid-19 in the Gulf Cooperation Council" Bronson, "Oil, God, and Real Estate," from <i>Thicker Than Oil</i> . |

| | |
|-----------------------|---|
| Week 2/morning | February 12, 2021 |
| <i>Topics:</i> | Laying Pipe in the Middle East |
| <i>Speaker:</i> | A Conversation with Stuart Jones, President, Regions and Corporate Relations, Bechtel Corporation |
| <i>Assignments:</i> | Project proposals due |

| | |
|-------------------------|--|
| Week 2/afternoon | February 12, 2021 |
| <i>Topics:</i> | Changing Economic Landscapes of the Region |
| <i>Speaker:</i> | Hani Findakly, President Potomac Capital (via Zoom) |
| <i>Assignment:</i> | Read: Hani Findakly and Kevin Findakly, "Whither the Arabs: The End of the Welfare State and The Start of a Journey into The Unknown" |

| | |
|-----------------------|--|
| Week 3/morning | February 26, 2021 |
| <i>Topics:</i> | Start Up Nation |
| <i>Speaker:</i> | Dan Senor, author of <i>Start Up Nation</i> (via Zoom) |
| <i>Assignments:</i> | Read: Selections from Senor's <i>Start Up Nation</i> Avi Jorisch, "Israel's Self-Driving Future" Background Research Review due In-Country Research Plan |

Northwestern | Kellogg

| | |
|-------------------------|---|
| Week 3/afternoon | *****Special Class Date February 27, 2021***** |
| <i>Topics:</i> | Enduring Contradictions of Israel's Economy and Society |
| <i>Speaker:</i> | Gidi Grinstein, President, Reut Institute (via Zoom time TBD) |
| <i>Assignments:</i> | Read: Selections from Grinstein's book "Flexigidity" Asad Ghanem, "Israel's Second-Class Citizens" Case Study: "Israelis, Palestinians and the Technology Bridge Between Them: A Work in Progress" |

In-Country Field Research - March 15th– March 24th

| | |
|---------------------|--|
| Final Class | 4/23/22 1:00-4:00pm |
| <i>Topics:</i> | Final presentations Trip debrief |
| <i>Assignments:</i> | Written papers; peer evaluations; Airtable IPG information due |

In-Country Academics

Students are reminded that GIM is first and foremost an academic program. 15% of your overall grade will be based on your participation in the plenary meetings and engagement in other activities as assessed by the in-country advisor. In order to achieve a high grade, students are expected to not only attend all plenary meetings, but to be actively engaged during the meetings and other learning opportunities in country.

Assessment

| | |
|--------------------------|------------|
| Research Project | 55% |
| Background Research | 5% |
| In-Country Research Plan | 5% |
| In-Class Presentation | 15% |
| Written Paper | 10% |
| Peer Evaluation | 17% |
| Airtable IPG information | 3% |
| Participation | 45% |

Northwestern | Kellogg

| | |
|--|-----|
| In-Class Participation (attendance, discussion, engagement) | 15% |
| In-Class Assignments | 15% |
| In-Country Participation (plenary meeting participation, student role, overall participation; determined by GIM advisor) | 15% |

GIM Research Project

The core of the GIM class is an independent research project. Groups of 4 to 6 students will select an international business, economic or management issue on which to study in depth and present. The students begin secondary research at the start of the course, incorporating perspectives from the class readings and speakers. They will also spend considerable time in-country speaking with resident experts, gathering local data, and testing their hypotheses and recommendations in the field. In general, the project should be based on original research that contributes to an intellectual body of work but also strives to have practical applications for the market.

*(Students must schedule **five to seven** IPG meetings throughout their trip with **at least** one meeting in every city that class visits on a business day. Students are not obligated to schedule meetings in cities that the class visits only for the weekend.)*

Research Topics

Before the term begins, the faculty will send out a google sheet with a list of broad topics or industries wherein students can then rank their preferences. The faculty will then assign students to groups based on topic interest which the students will then refine throughout the term with the help and advice of their faculty member. Good GIM projects are generally built around interesting, clear, and relatively narrow research topics. Some titles from successful projects from recent years have included “How Uniqlo’s Brand Positioning and Marketing Strategy Allow the Company to Thrive in China’s Fast Fashion Market” and “Expanding Wine Sales to Middle-Class Brazilians: A Proposal to Concha Y Toro.” Weak GIM projects often have excessively broad or unfocused topics such as “An Overview of the Brazilian Beverage Industry.”

Project Report Structure

Final reports should be at least fifteen pages in length, excluding exhibits. Groups may choose from the following report formats:

- Traditional analytical research paper – A research question is described; competing answers to the question are discussed; evidence collected on the trip is used to argue for or against the alternative answers.
- Industry analysis – A particular industry is surveyed in order to examine a narrowly focused, well-defined topic pertaining to the competitive dynamics of the industry. An

Northwestern | Kellogg

example would be an analysis of a market entry opportunity presented to a foreign multinational.

- **Business recommendation report** – A consulting report recommending specific strategic, operational and organizational actions to solving a clearly defined business issue (e.g.: strategies for overcoming cold-chain logistics and distribution challenges in India.).
- **Business or industry case study** – A case for eventual classroom use developed with a clear underlying business question in mind. Teams pursuing this option are encouraged to work with Case Publishing before and after the trip to ensure a high quality product that may eventually be used in the classroom.

Project Deliverables

- **Research Project Proposal** – Each project group will submit a 2-page description of their proposed research topic, including:
 - A description of the specific and narrowly-focused research question(s) to be addressed
 - Description of the topic's importance, timeliness, economic, or social significance
 - Identification of possible in-country visits with companies, governmental agencies, NGOs, etc.
- **Background Research Review** – Each project team will submit a review examining secondary information relevant to its research topic. This review may serve as a first draft of the background section of the final project report.
- **In-Country Plan** – This is a detailed matrix of five or more investigative research meetings arranged in country. The best plans will include day/time/location of meeting; name/description of organization; name/title/bio of interviewee; agenda and interview guide for each meeting.
- **In-Class Presentation** – During the final class, each project group will make a presentation in class summarizing their research findings. The purpose of this deliverable is to allow faculty members and students to learn about and provide feedback on the project groups' final findings. It is suggested that each team be given 15 minutes to present and 5 minutes for audience questions and suggestions.
- **Written Report** – The final report, 15 pages long before exhibits and appendices, prepared

Northwestern | Kellogg

according to one of the formats discussed above.

- **Peer Evaluation** – Each member within the project group will assess every other member’s contributions to the project, including their own, with a confidential peer review form that takes into account each member’s intellectual contribution, initiative and organization, workload contribution and overall contribution.
- **Airtable IPG Database**– Maintained by the Global Experience Office, the Airtable IPG Database serves as a repository for IPG contact information shared amongst multiple years of GIM students. About a week before final reports are due, the GEO will be sending out a link to the platform for each IPG group to fill out with information about their contacts. Please note that the requirement for filling out the google sheet is due at the same time as the written report.