

LAU magazine

VOLUME 11 | issue n° 2 | Spring 2009

& ALUMNI BULLETIN

Job Markets in Flux

Are Gulf economic crises reversing Lebanon's "brain drain"?

Back to Business Basics: Keeping It in the Family

By design, family-run enterprises are well-equipped to survive the global downturn. That's good news for Lebanon and the region.

Banking on Faith

The Brave New World of Islamic Banking

Geo-Economics in a Time of Crisis

Oil, Diversification & Levant Real Estate



The Recovery Challenge

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Architecture exhibition,
Beirut campus



Abdali
construction site
in Jordan

Letters to the Editor

We want to hear from you! Letters may be sent via email or post and may include substantive response/commentary on this or previous issues, as well as suggestions and story ideas for future consideration.

(Kindly note that letters may be edited for clarity and brevity.)



Dear Editors:

Thank you for the GREAT article on the incarcerated women recovery program and the handbags ("LAU Institute for Women's Studies Brings Hope to Women Inmates in Lebanon," Winter 2009). I sent it on to the Women's Studies Department here at Dartmouth College.

Thank you for sending me LAU news! I miss my life at LAU terribly. I take pride in spreading the word about LAU and its many significant achievements.

—Bushra Alamuddin '76

Dear Editors:

I want to congratulate you on this very interesting and informative issue (Winter 2009). I read it all very attentively and felt proud to have been part of LAU in the past.

—Nazik Saba Yared
Novelist and writer

Former associate professor of literature, 1978 - 1999

Dear Editors:

The LAU publications are just superb. I enjoy the display of material and the choice of photos in *LAU Magazine*. Through reading its publications, I can say the university certainly aims at excellence.

—Salam Khalluf Queiss
Secretary to former LAU President Riyadh Nassar

Dear Editors:

Congratulations on the winter 2009 issue of *LAU Magazine*. The interesting topics and latest information are very useful for our community. It is also very well designed with high quality images, graphics and photos. Hats off to you and your staff!

Keep up the good work.

—Carla Khalil '97

Corrections for *LAU Magazine*, Volume 11, Issue 1, Winter 2009

Rev. Christine Chakoian and Taline Avakian ("Board of International Advisors: In Profile") are in fact members of the Board of Trustees, not the Board of International Advisors.

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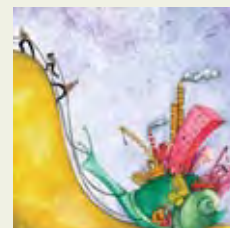
Page 1 left, page 9 top: courtesy of Abdali

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From the President's Desk



Dear Colleagues,

We are all aware that, at this moment, the global economy is struggling and the financial markets are under extreme strain. The gathering clouds of this economic and financial storm have undoubtedly caused a sense of uncertainty the world over. Under these exceptional circumstances, the talent, the energy and the resources of a university's community can provide hope and reassurance that, together, we will weather these difficult times and build a better future.

At these critical moments, vital institutions such as ours have proven to be indispensable as both safe havens for students and beacons for appropriate solutions to current challenges. Thanks to the intellectual pursuits of students and faculty, a university can help its community and the world find a way forward. And the inherent optimism that surrounds universities, their students, and their faculty can be of great comfort to us all.

There is plenty to be optimistic about at LAU. As I write this, a new semester is beginning and our students are just returning to campus with a spirit of hope in their hearts. New students are joining our institution, while others, as they pursue their intellectual growth, will keep strengthening their ties to the university. These are exciting times for LAU, as we continue our prodigious growth and our constant pursuit of excellence.

By helping our students develop in a dynamic environment, our faculty and staff are preparing the leaders of tomorrow and providing them with the opportunity to dream about their future and to begin to realize their highest aspirations. With its rich history, significant achievements, sense of purpose, and faith in its noble mission, LAU, I can confidently say, is well on its way to taking its rightful place within the constellation of world-class institutions.

I am grateful for your invaluable support and wise counsel. I thank you for your willingness to be part of our success story. We are blessed by your encouragement and graced by your pride in LAU.

Sincerely,

A handwritten signature in black ink, reading "Joseph G. Jabbara".

Joseph G. Jabbara
President

“At these critical moments, vital institutions such as ours have proven to be indispensable as both safe havens for students and beacons for appropriate solutions to current challenges.”



*The Frem brothers
—Georges, Chafic, Tony
and Rabi—with their father*

Back to Business Basics: Keeping It in the Family

By Lucy Fielder

“The scandals that are taking place in the corporate world should open our eyes to the positive aspects, values and traditions that families can pass from one generation to the next.”

Family-run enterprises are well-equipped to survive the global downturn—that’s good news for Lebanon and the region.

“Keeping it in the family” has long been the guiding principle of business in the Arab world, and the tradition has drawn some criticism. But as storm clouds gather over the Western corporate world, a patch of blue has appeared over the smaller, less globalized environment of Lebanese and Middle Eastern enterprise. While Lebanon may not be wholly immune to the global financial crisis, the country’s old-fashioned way of doing business is showing signs of resilience.

Family business is a subject dear to Josiane Fahed-Sreih’s heart. As director of LAU Byblos’s Institute for Family and Entrepreneurial Business (IFEB), she advises family enterprises on how to develop, become sustainable and survive the economic downturn.

“I think the scandals that are taking place in the corporate world should open our eyes to the positive aspects, values and traditions that families can pass from one



*LAU Professor and Director
of the Institute for Family
and Entrepreneurial Business
Josiane Fahed-Sreih*



*The Fahed Supermarket,
Jounieh*



The IFEB seminar "Sibling and Cousin Relationships in a Transition Process" led by Dr. Joe Astrachan

generation to the next, and to their ability to have a long-term strategy and sustainable, long-term growth," Fahed-Sreih said.

"That's what we didn't find with corporations, because they want to achieve short-term profits and show numbers on their balance sheets," she added.

If corporate CEOs fail to increase the stock price, heads can roll. But for families seeking to pass on a viable, solid living to their children and grandchildren, sustainability is key, even if that means limited, manageable growth.

All of which is good news for Lebanon and for much of the region. In the Middle East, even the largest companies tend to be owned and run by families, many of whom have a long-term goal of passing the business on to their offspring or relatives.

Fahed-Sreih estimates that of the 85 percent of Lebanese businesses that belong to the private sector, 90 percent are family-owned. That makes those businesses—most of which are small- or medium-sized—not only the driving force behind the Lebanese economy, but also the country's leading source of employment, accounting for roughly 1,200,000 workers.

But family businesses face their own specific obstacles. According to Antoine Frem, president and chairman of the INDEVCO paperboard and packaging company and an LAU donor, IFEB plays a crucial role in helping family businesses recognize and confront those issues, a particularly vital task in the current economic climate.

"The family business institute is needed because most of the businesses [in Lebanon] are family-owned, and they are facing a challenge regarding their future," Frem said. "LAU is providing

the education and the information for those families to really keep their business alive."

For example, a recent IFEB event, held on March 24, dealt with how companies should manage the recession by identifying short-term problems while developing long-term strategies.

One strategy family-owned institutions must develop is how best to educate offspring and give them the experience to lead—without imparting a sense of automatic entitlement. The businesses must also decide how to deal with succession.

"All our children [some of whom are LAU graduates] begin with sweeping the floor," Frem said, explaining the business practices at his family-owned company. "They go through the ranks, and with time, with education and experience—if they qualify—they will become managers. And if they don't, they just don't."

"You have to manage the succession process in a proper manner," Fahed-Sreih added. "Take time, provide mentoring and create enlightened owners." An IFEB program held on March 6 and titled "Sibling and Cousin Relationships in a Transition Process" advised businesses on how to identify various types of conflicts related to succession and how to apply appropriate resolution techniques.

Renee Ghattas, assistant professor at the LAU School of Business, prepared a case study, published in the *International Journal of Business and Economics* in the fall of 2007, researching how family businesses survive such transitions. The time-honored maxim for family enterprises is that the first generation builds the firm, the second develops it, and the third—if it survives that long—uses and abuses it, she said. 🌸

"The family business institute is needed because most of the businesses [in Lebanon] are family-owned, and they are facing a challenge regarding their future."



LAU Professor Renee Ghattas



From left to right: Chafic Frem,
Rabih Frem, Neemat Frem,
Tony Frem and Georges Frem

Ghattas cited her brother's company, the Goodluck textiles firm, as one example of how successful Lebanese businesses are managing succession and growth from generation to generation, and thereby surviving the vicissitudes of the world economy. Hafiz Sabbagh, Ghattas's brother, evolved the business from their father's company, which was destroyed during the civil war.

"All our children begin with sweeping the floor."

"My younger brother refuses to grow [the company]. What he does is produce a quality product that the market can absorb. That's why he was not directly affected by the crisis," Ghattas said. Syria, China or Turkey can produce textiles more cheaply; but what Sabbagh recognized is that a Lebanese company can instead provide niche quality goods and excellent services, she added.

Perhaps the most oft-cited potential downsides of a family business are nepotism and favoritism—both enemies to a culture of merit. A suspicion that the top positions are reserved for offspring tends to demoralize employees from outside the family.

"The culture is now toward creating employee stock-ownership plans, so that you can also encourage non-family members to feel part of the company's success and create the kind of commitment that leads the organization to success," Fahed-Sreih said.

Communication is also vital in helping to differentiate between family- and business-related issues. To that end, IFEB helps businesses create family constitutions and develop governors'

programs, which promote shared decision-making by a board of executives.

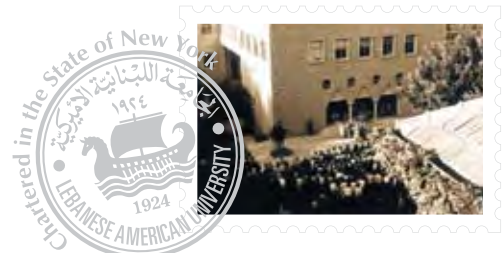
Ghattas and Fahed-Sreih agree that the government should provide more support to help family businesses and other local enterprises flourish, especially in a difficult economic environment. For instance, Fahed-Sreih pointed out that, according to Lebanese law, the positions of chairman of the board and general manager or CEO are one and the same—but she believes they should be separate. She added that the law also stipulates that board members must have ownership of a company. "But if you want more professionalism," Ghattas said, "you should have a majority of independents sitting on the board."

Ghattas added that tax breaks and lower rates for Lebanon's above-average communication and electricity costs would help local businesses. Regulation and quality control should also be improved to help firms standardize their products, she added.

More government support could also encourage the establishment of new family or local businesses and lead to greater prosperity for Lebanon. LAU students often have excellent ideas but no funding to start businesses when they graduate, Fahed-Sreih said. Government startup capital might provide employment opportunities and boost the economy. "It should be a clear, straightforward process. You shouldn't have to bribe people," she said.

"If you give them some stability," Fahed-Sreih added, "the Lebanese are entrepreneurs by nature and by history." 🏡

The IFEB seminar "Recession
Management Short Term and
Growth Strategy Long Term"
held on March 24 with speaker
Dr. Hermut Kormann





A Brighter Side to the Crisis? Oil, Diversification and Levant Real Estate

By Dalila Mahdawi

Everyone knows the Middle East's oil producers are in trouble. Coupled with the worldwide financial meltdown, Western investment in alternative energy sources has led to a crash in oil prices from around \$150 per barrel to about \$40 per barrel in March. Oil exports will be reduced by almost 50 percent in 2009 as prices drop further and the Organization of Petroleum Exporting Countries (OPEC) cuts production, the International Monetary Fund (IMF) has said. As profits thin, countries like Saudi Arabia, Kuwait, Qatar and the United Arab Emirates will be forced to readjust their spending accordingly.

"Since the Middle East and Gulf area in particular are so reliant on oil, government budgets are heavily financed by oil revenue," said Sven Behrendt, associate scholar at the public policy think tank Carnegie Middle East Center. The crisis has already prompted Iraq to acknowledge its need to diversify away from oil, which currently accounts for more than 90 percent of state revenue. Baghdad's leadership has twice slashed its budget and cut back on rebuilding plans by 40 percent.

The drop in oil prices is also battering much of the Middle East's real estate sector. "Before the crisis, the region was benefiting from huge cash surpluses because of the rising oil prices," said Mounir Doueidy, general manager of Lebanese real estate developer Solidere and LAU affiliate. Huge sums of money were available for speculative investment and massive real estate projects, mostly in Dubai and the Gulf. But such ambitious projects are contingent upon high demand and a large population of wealthy foreigners, both of which have disappeared in the wake of the crisis.

"Dubai placed a huge bet on globalization and was heavily leveraged in its investments. The whole model of Dubai was based on it being the hub of globalization," said Behrendt. The financial crisis has both shattered that model and made it toxic, he said, remarking on a new phenomenon of "park and run," in which foreigners who cannot repay their loans abandon their cars at Dubai airport and flee abroad. 🌿

*Solidere development plans
at the Marina, Beirut*



"When real estate values are based on speculative prices, you don't have real value embedded in the process."

Speculation has indeed been one of the fatal flaws of the Gulf's real estate sector. "When real estate values are based on speculative prices, you don't have real value embedded in the process—you have the banking sector lending money against values that aren't there," said Doueidy. "The moment something goes wrong and the value collapses, you end up with credit that you have to make good on," he explained. For the banks, this means repaying loans and writing off debts—or going bust.

Dubai now faces a budget deficit for 2009 as hundreds of billions of dollars in real estate projects are postponed or canceled. According to Dubai's Real Estate Regulatory Authority, roughly 25 percent of development projects have been suspended. In January, one of the largest privately owned real estate developers in the world, Nakheel, announced it would halt construction on Nakheel Tower for 12 months. The tower was poised to become an international landmark as the world's tallest building. Properties on the famous palm-shaped Palm Jumeirah have nose-dived by more than 40 percent, according to brokers. The biggest bank in the Emirates, NBD, has meanwhile halted all lending to foreigners working for prominent Dubai property firms, fearing they won't be able to make the payments.

"Dubai is not only about building things but maintaining them. If you can't maintain things, people start to leave," Behrendt said, urging the Emirate to move toward professionalizing and holding its private sectors accountable. In the meantime, Dubai is being bailed out by its wealthier Emirate sibling, Abu Dhabi, which in late February bought up half of the \$20 billion in bonds issued by Dubai to help pay off debts. Dubai's Real Estate Regulatory Authority has also told developers they can access up to \$2.2 billion from escrow accounts to cover construction costs.

The economies of Kuwait, Qatar and Saudi Arabia have been knocked as well. Kuwait's stock exchange has dropped by 40 percent, while the more introverted Saudi stock market lost about 17 percent in value. Qatar's Ras Laffan Industrial City, under the management of Qatar Petroleum, is also revising some of its projects because of falling oil prices and fewer investors. Qatar is nonetheless in a stronger position than some of its neighbors, having made significant efforts to diversify its economy. It is also more reliant on natural gas exports, which do not fluctuate in price as much as oil does.

As their real estate and financial sectors stagnate, Middle East oil producers will turn to their sovereign wealth funds, in which billions of dollars in foreign currency are stored. According to IMF Middle East and Central Asia Department Director Masood Ahmed, Middle Eastern oil producers can actually help combat the international financial crisis by investing money from these funds. "By continuing to spend, oil-exporting countries are contributing substantially to supporting global demand and are acting as stabilizers during the global downturn," he said in February.

But not everyone is so upbeat. "There are some serious question marks about whether these economies will be able to recover by 2010," said Walid Khaddoury, an oil expert and former journalist at *Al Hayat* newspaper. Oil-producing countries would have to find ways to create new jobs, he said, or face potential unrest.

Ironically, it appears the global financial downturn has left countries like Lebanon and Jordan less ruffled than their oil-spoiled neighbors. In fact, their real estate sectors are booming.

Unlike in Dubai, real estate markets in the Levant are driven by a steady demand from "end-users" who buy homes to live in. "People here are still buying," said real estate developer and LAU alumnus Walid Eido of Lebanon. "Beirut is a very small market and there are few land plots available, which means a shortage in supply." Lebanon's banking system had also helped ward off a collapse in the real estate sector by not lending money for real estate projects, Eido said.

"Dubai is not only about building things but maintaining them. If you can't maintain things, people start to leave."

Counting for 10 to 12 percent of its gross domestic product, Lebanon's banking sector is well developed and governed by conservative investment policies. "So far, the banking system, with capitalization on the order of \$7 billion and total resources on the order of \$90 billion, seems to be holding strong," said economist Marwan Iskandar. Potential losses of \$100 to \$200 million will "not dent the credibility of banks." In a recent interview with *Executive* magazine, the governor of Lebanon's central bank, Riad Salameh, said that conservative policies and selective international investments had saved the country from the global financial meltdown. As Lebanon "did not have a real estate bubble," Salameh said, he stood by his prediction of 4 percent growth in 2009.

His optimism was echoed by Fuad el-Khazen, a member of LAU's Board of International Advisors and chairman of Banque de l'Industrie et du Travail. "With political security, Lebanon could prove an attractive place for investors," el-Khazen said. So too could Jordan. In February, Abu Dhabi-based developer Al-Maabar International Investment announced a \$10 billion tourism project in Jordan's Red Sea resort Aqaba. Abdali Investment and Development Psc. is meanwhile developing a \$5 billion project called Abdali New Downtown, similar to Solidere's Downtown Beirut development.

According to Abdali General Manager Jamal Itani, the success of such projects is due to the fact that real estate markets in the Levant are characterized by "long-term sustainability." The world financial crisis "could turn into an opportunity for the Levant region and especially for Jordan and Lebanon by becoming a major factor in allowing investors to decide to move their investments into these markets," he said.



The clock in Beirut's downtown area, developed by Solidere

"With political security, Lebanon could prove an attractive place for investors."

Unlike in Dubai, real estate markets in the Levant are driven by a steady demand from “end-users” who buy homes to live in.



A projection of Abdali, the new downtown of Amman, Jordan

One threat facing Lebanon and Jordan in the wake of the economic meltdown is a reduction in remittances. Millions of Lebanese and Jordanians live and work in the Gulf, and an unknown number will have lost their jobs (see “The Unexpected Brain Drain Reversal”, page 18). It is still too early to tell what the impact will be on remittances, but analysts have said they do not expect returning expatriates or reduced remittances to affect the economies of the Levant too badly. El-Khazen said he hopes Lebanese who have been laid off in the Gulf would choose to use their skills at home. “Lebanon has a lot to do over the next few years, not only in the private sector but in terms of infrastructure—the building of roads and bridges, waste-water and garbage-treatment facilities,” he said.

So what can Middle Eastern economies learn in the aftermath of the global financial slowdown? Economists have long been urging Gulf countries to diversify their economies away from oil, and perhaps with the economic fallout that advice might be taken. Technology research and analysis firm IDC recently said that in 2009 the Middle East would be responsible for more than one-tenth of global spending on new information technology,

with regional companies upping their investments by 7 percent. As international competitors grapple with their own economic fallout, the Middle East has a real opportunity to overtake the West’s IT capabilities and create thousands of new jobs.

“It makes sense to engage in industries that can help development” on a local level, Behrendt said. Iraq, for example, has begun looking at religious tourism, industry and agriculture as alternative sources of revenue.

Arab investors may also be propelled by the crisis to look at more regional investments, a choice backed by Itani and the president of the Union of Arab Banks, Adnan Youssef. Finally, better management of the banking system in the Gulf is needed, the above experts all agreed, along with greater government regulation in the private sector. “During this time—at least two years—banks should be regulated properly,” said Iskandar. “Regional cooperation must be developed, and Arab oil-producing and -exporting countries must nurse their financial resources and tailor down grandiose projects.”

If Lebanon and Jordan have anything to teach their wealthier neighbors, it is sustainability. ■



The Palm, Dubai



The Brave New



World of Islamic Banking

By Dana Halawi

In a time when financial institutions around the world are collapsing or in crisis, at least one sector of the economy still shows signs of growth: Islamic banking.

Because the principles that govern Islamic banks prohibit charging interest on loans, the system—which dates back to the eighth century—has largely avoided the ravages resulting from risky trading in derivatives. (See “A Brief History of Islamic Banking,” page 15.)

“Though no sector is immune to the global financial crisis, Islamic finance has shown great resilience so far, and none of the market players has had the problems of conventional banks,” wrote Rima Turk Ariss, professor of finance at LAU, in a recent issue of *An-Nahar*.

A study issued by the Islamic Institute of Banking and Insurance estimates the size of the Islamic banking industry at more than \$750 billion and puts its annual growth rate at between 15 and 20 percent.

While the conventional banking system permits dealing in various forms of financial derivatives and aims to maximize profit with minimal restrictions—an approach that played a pivotal role in the financial crisis—Islamic banking is subject to the restrictions of Shariah law: It considers derivatives extremely risky and off-limits, as their value is linked to the value of an underlying and potentially unstable asset.

Speculation vs. Possession: Principled Finance

“Buying credit derivatives is a form of speculation, because the investor speculates that the price of those derivatives is going to increase in the future, which might not necessarily be the case,” Turk Ariss explained to *LAU Magazine*.

The pitfalls of trading in derivatives became evident in the United States when housing prices began to decline.

Turk Ariss added that Islamic finance is built around the principle that “one cannot sell what one does not own.” She noted, however, that “this is not only typical to Islamic finance, but any sound banking regulation should forbid the investment in credit derivatives. As long as banks do not deal with credit derivatives, the impact of financial recession is going to be limited.”

Since one of the conditions of Islamic banking is that the lessor or seller must possess the goods being leased or sold, the sharing of profits and losses is also a key feature of the system. The seller or lessor shares a part of the risk once he acquires ownership of the goods for sale, and he can then receive a share of the return.

Turk Ariss explained that Islamic banks can finance real estate properties only by buying or leasing them and entering into a sale or lease agreement with the client. “This is not a loan transaction but more of a sale or lease transaction,” she said. “The bank is selling the property to the borrower and adds profit, which is benchmarked to market rates.”

Financing extended through the Islamic system can thus expand only in step with the rise of the real economy, thereby curbing excessive credit expansion.

A Shared Interest

In Islamic banking, returns are variable, dependent on bank performance, and not guaranteed, whereas returns to depositors in a conventional banking system are unrelated to bank performance and profitability.

Profit and loss sharing in Islamic banking leads to a clearer assessment, by both the lender and the investor, of the risks related to any project or transaction, since both parties have money at stake. 🌿

“One cannot sell what one does not own.”





As Turk Ariss wrote in *An-Nahar*: “One of the problems inherent to conventional banking and which represents a major source of uncertainty is asymmetric information. While in a traditional conventional contract, risk is borne by the borrower, an Islamic contract has to be symmetrically risky. As a result, Islamic banking preaches transparency, adequate disclosure, due diligence, good governance, and accountability.”

Some financial experts believe that adopting the principles of Islamic banking could help reduce the negative impact of the current financial crisis, which originated in the United States and which may have exposed the world economy to a long period of economic slowdown.

“The international banking system is definitely able to reduce the negative impact of the financial crisis by adopting Islamic banking rules,” said Fouad Matraji, general manager of the Arab Finance House.

Ghassan Chammas, professor of finance at LAU, pointed out that there are additional benefits to the Islamic banking system: “Islamic banking is growing because it offers many instruments that conventional banking cannot offer,” he said. “Conventional banks, by virtue of the law everywhere in the world, are not allowed to tap into equity or to go into market, while Islamic banks can, and this is an alternative way of doing business.”

Executive general manager at Banque Misr Liban, Hadi Naffi, noted that the international system does not have to adopt Islamic banking rules in order to avoid the risks of conventional banking. Naffi explained that, since 90 percent of stocks worldwide have dropped in value in the current crisis, Islamic banks must have incurred losses as well. He said the limited impact of the crisis on the Islamic banking sector has more to do with its relatively small size compared to the conventional banking sector.

A Wider Clientele? It's a Question of Faith

But Islamic banking appears poised to grow well beyond its current size: According to a study issued by the Bank of London and the Middle East, the size of global Shariah-compliant assets is now estimated at up to \$400 billion, whereas Standard & Poor's ratings services place the potential market for Islamic financial services at closer to \$4 trillion. This would imply that Islamic finance currently has only a 10 percent market share among the global Muslim community and still has a long way to go.

The Islamic Institute of Banking and Insurance estimates that the current Muslim population worldwide is more than 1.5 billion—about 23 percent of the world's total population.

Turk Ariss suggests that Islamic finance may also have a sizable audience beyond the Muslim population, and she finds evidence of that in recent moves by major Western banks such as Citi and HSBC to open Islamic windows and sell Islamic products to non-Muslims as well as to Muslims. She pointed out that the growth potential of the industry, as well as the emphasis Islamic finance places on social welfare and economic productivity, are contributing to the increasing popularity of the system in the West.

As another example, Turk Ariss named University Bank in Ann Arbor, Michigan—currently the only conventional bank in the United States to count Islamic financial services as 20 percent of its total assets, which now stand at \$100 million. Turk Ariss added that University Bank, which opened its Islamic window in 2004, has been largely unaffected by the financial crisis.

Islamic banking is also gaining in popularity in the United Kingdom. According to a study released by the finance and economics ministry of the U.K. in December 2008, Islamic retail

“Islamic banking preaches transparency, adequate disclosure, due diligence, good governance, and accountability.”

LAU Professor
Rima Turk Ariss



products first appeared there in the 1990s, and in the last five years they have grown significantly in both the wholesale and the retail sectors. The study states that with more than \$18 billion in Shariah-compliant assets, the U.K. ranks eighth—the highest among Western nations—on *The Banker's* league table of Islamic assets worldwide.

“The United Kingdom is the only Western country where they have five full-fledged Islamic banks operating, and the U.K. government has plans to turn London into a major financial center where Islamic financial services are traded,” said Turk Ariss.

According to Chammas, market statistics state that 69 percent of Islamic bank users in the world are not Muslims. “Some people, regardless of their faith, are willing to migrate to an Islamic banking system if they are given a higher rate of return, while some others don’t care about the return but they do it because it is Shariah-compliant,” he said.

Nafi added that some people deposit their money in non-Islamic banks and refuse to take an interest. “It is a matter of faith more than anything else,” he said. “Islamic banking is very competitive in countries where people have a great faith in it.”

Turk Ariss pointed out that Emirates Bank shifted its strategy and changed its name to Emirates Islamic Bank in 2004, not because of concerns about stability but out of a sense that emphasizing faith would better serve clients in the region. She added that banks in Indonesia and Malaysia have made similar moves.



Arab Finance House

Inherent Risks, Open and Hidden

While some financial experts believe that the Islamic banking sector remains an oasis of relative calm and prosperity, others consider it riskier than conventional banking.

“Islamic banks are definitely more risky because they have more classes of risks that conventional banks are not exposed to, such as Shariah-compliance risk, displacement risk, and the rate of profit return risk,” said Chammas.

A study conducted by PricewaterhouseCoopers includes an example of Shariah-compliance risk. It states that in what is known as a Murabaha transaction, the bank’s margin is locked in when it agrees to sell an item for an amount higher than the original purchase price. But while the form of the transaction is Shariah-compliant, the substance amounts to an exchange of economic value, which is hard to distinguish from a conventional loan. These nuances and complexities can obscure the real risks Islamic banks face at both the transactional level and the portfolio or entity level.

“Conventional banks, by virtue of the law everywhere in the world, are not allowed to tap into equity or to go into market, while Islamic banks can.”

As for the displacement risk, Chammas explained that an Islamic bank cannot promise any profit to depositors, since there is a risk of sharing losses instead of profits at the end of the year. “This is legal because it is Shariah-compliant, but the bank might risk losing its clients. Or it will take part of its equity and inject it as part of the clients’ profits, hoping not to lose again next year,” said Chammas.

He added that there is no less risky investment that an Islamic bank is willing to take on to provide a rate of return equivalent to that of a conventional bank. “Islamic banks are more affected than commercial banks because the risk profile of their operation, whether it is placement or deposit, has increased in such a way that whatever profit they are doing in conjunction with this risk is not feasible,” Chammas noted.

Chammas pointed out that Islamic banking can work under two modalities: trade finance and equity finance. But both forms are risky, he explained, because in the former case the bank is exposed to liquidity risk, while with the latter the bank is taking on the risk of the project itself.

Chammas illustrated the concept of trade equity by giving an example of a client wishing to buy a machine through an Islamic bank. “The Islamic bank will buy the machine and sell it to the client. But by the time the bank buys it and receives it, the client might change his mind and the bank will have to liquidate it, and fall into liquidity and capital adequacy risk,” said Chammas. 🌿

69 percent of Islamic bank users in the world are not Muslims





As for equity finance, Chammas noted that an Islamic bank cannot, for example, give a loan to a factory but must instead go into partnership with it. As a result, the bank takes on the risk of the factory's operations. A conventional bank, however, would give the loan to the factory based on the guarantee that the factory would pay back the bank regardless of performance.

Naffi added that Islamic banking can be indirectly affected by the economic crisis and is not as immune as some might believe, since any operation made by any bank is risky. He noted that the bank and its client might buy products in partnership using Murabaha, but if the prices of those products go down both parties will lose.

Growth and the Future of Islamic Banking

Taking into consideration the relative resilience of Islamic banking to financial crises, along with the specific risks the system presents, some experts are assessing whether this sector has the potential to overtake conventional banking in the future.

Turk Ariss believes Islamic banking does not yet show signs that it could grow larger than the conventional sector: "We cannot say that it is going to take the lead because, according to Deutsche Bank estimates, the Islamic banking industry does not even reach \$1 trillion, which is very tiny compared to the global

financial assets—while the assets of Citi, JP Morgan and Bank of America are \$3 trillion each," she said.

"Islamic banking is capturing a minimal fraction of the financial global assets, but what is impressive is the astounding rate of growth. That's what's catching the interest of Western investors," she added.

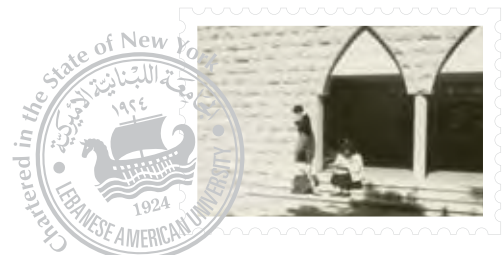
Chammas does not see a bright future to Islamic banking unless the system starts to innovate its own financial products and stops merely adapting conventional products to make them Shariah-compliant.

"After the financial crisis, there is an overall tendency in the world to go more ethical and less savage," said Chammas. But only when Islamic banks create their own instruments can their potential be truly assessed, he added.

Turk Ariss recommends restructuring the conventional financial sector in the years to come, so that it incorporates features of Islamic banking practices in order to enhance overall financial stability.

Naffi believes that regulations are always bound to offer more safeguards from financial collapse. "The traditional banking system in Lebanon was quite protected from the crisis because we are under the control of monetary authorities and we have regulations to follow," he said. "Islamic banking has ethics, but this does not mean that non-Islamic banks do not have ethics." ■

"It is a matter of faith more than anything else. Islamic banking is very competitive in countries where people have a great faith in it."





A Brief History of Islamic Banking

By Andrew Wander

Islamic banking is an alternative financial system run on principles consistent with Islamic law (Shariah). One of the fundamental differences between Islamic banking and traditional banking is that the former forbids the charging of interest (Riba), which is considered a form of usury.

The principles of Islamic banking also prohibit investment in businesses offering services that are outlawed by Shariah law, such as gambling, weapons and pork.

Shariah-guided banking was used to build a flourishing economy during the Islamic golden age—between the eighth and 12th centuries—which saw the introduction of many of the capitalist principles upon which the modern international economy rests.

But as these principles were co-opted by early European capitalists, who developed and restructured them to suit the banking needs of Western empires, international banking became less consistent with Shariah law.

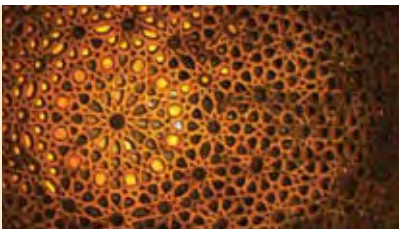
The first attempt to reintroduce Islamic principles into banking took place in Egypt in 1963, when Ahmed Elnaggar, a banker based in the town of Mit Ghamr, set up an Islamic savings bank. It was a

success. Four years later there were nine Islamic banks in Egypt, and in 1972 the Mit Ghamr savings bank was absorbed into the Nasr Social Bank, which still operates today.

In 1975, the Gulf received its first commercial Islamic bank when the Dubai Islamic Bank set up shop, and others quickly followed. There are now more than 300 Islamic banks operating in approximately 51 countries around the world.

In 1999, the establishment of the Dow Jones Islamic index was a tacit recognition of the importance of a \$1 trillion sector that is growing at between 15 and 20 percent a year and now accounts for 1 percent of the global market.

Islamic banks have found themselves largely unaffected by the current global financial crisis, since the principles upon which they operate preclude the risky investments and trading in debt that have been blamed for the recent meltdown in traditional financial systems. Some analysts believe that the strength of Islamic banks in the face of worldwide economic disaster will see the sector gain in popularity, as it becomes increasingly relevant both culturally and economically. ■



"It's making us realize, as a whole world, that we have a dependence on something that's a fading entity."



Geo Economics in a Time of Crisis

By Andrew Wander

At present, finding the silver lining on the storm clouds hanging over the global economy is no mean feat. But some experts believe that hidden amongst those clouds could be unexpected political benefits for the Middle East.

The region is not used to economic crises of this magnitude. But the crash in the price of oil could undermine the authoritarian regimes that many believe hold the Middle East back and could encourage democratic engagement in places that have relied on astronomical oil revenue to buy stability.

The benefits, if they come, will be seen only after a period of pain. The region may have stood up relatively well to challenges posed by the meltdown, but as the financial crisis morphs into an economic crisis, the experts say that the ramifications of a global slowdown will have an impact on the region.

"A recession in the developed economies will have an effect here," said Sami Baroudi, Ph.D., a professor of political science at LAU. "In Egypt they are already saying the tourism sector has been affected by the weakening of the industrialized economies."

"We will have to see how deep the global recession is going to be in order to identify its effects on individual countries," Baroudi added. "You have to see how it will ripple into these economies because they are not perfectly integrated."

It is precisely this imperfect integration that saw Lebanon escape the problems in international banking that triggered the crisis. Cautious investment policies meant that the country's banks were not exposed to the same "toxic assets" that poisoned their international counterparts and set the meltdown in motion.

But while Lebanon's central banker smiles out from the front cover of a local economics magazine over the headline "Conservative Is Cool," there are warnings that the feel-good factor may not last for long.

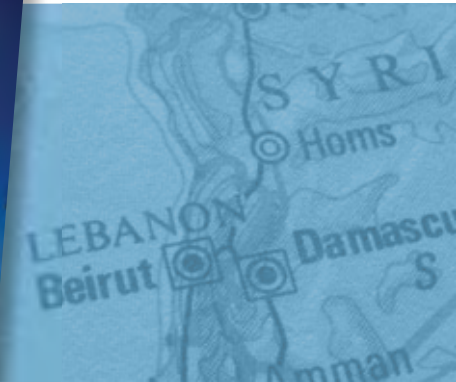


LAU Professor and Director of the University Enterprise Office
Walid Touma



LAU Professor
Walid Moubarak

“Their income is drying up, and I see this as a potential positive for reining in some of these wild rulers in the Arab world, who do not have any regard for democracy.”



“If there is a rise in unemployment in the industrialized economies, then that will come back to you through a decline in labor remittances, through expatriate labor coming back. We may see that in Lebanon,” Baroudi said.

If Lebanon has to deal with the ripples of the global slowdown, other Middle Eastern leaders could have more immediate concerns. The huge drop in the price of oil has forced some of the richest and least democratic autocrats in the region to face the prospect that, for the first time, they cannot balance their books.

“The main driver of our regional economy is oil,” said Walid Touma, Ph.D., director of the LAU Enterprise Office. “This crisis today—with oil hitting \$36 a barrel and it having reached the \$140 to \$150 range—has injected in the system an unstable expectation. The income on their cash flow is cut by 60 percent to 70 percent,” he said.

“Their income is drying up,” Touma said, “and I see this as a potential positive for reining in some of these wild rulers in the Arab world who do not have any regard for democracy. Because they have a lack of income right now, they might be thinking of ways to engage their people in a positive way.”

Touma believes that the political benefits in the region could last long after the economic storm has blown through. “This might cause a regime change in Iran because Iran has a huge dependence on oil. And with all the sanctions, when the price of oil is below \$70, Iran can’t cover the expenditure it has today,” he said.

Walid Moubarak, Ph.D., director of LAU’s Institute of Diplomacy and Conflict Transformation, agrees that the crisis could have lasting political implications. “The financial crisis is hitting the price of crude oil very badly,” he said. “The oil-producing countries and the authoritarian regimes depend on their stability partly through distribution,” Moubarak said. “If they cannot distribute oil as efficiently as they could before, they could face some problems from their social environment.”

As world leaders recognize the inherent instability in basing the global economy on a finite energy source, some believe that

the crisis could also prove to be the catalyst for the development of renewable energy.

“It’s a blessing in disguise for us,” said Touma. “It’s making us realize, as a whole world, that we have a dependence on something that’s a fading entity, and it’s making everybody rethink how dependent we should remain.”

Rather than viewing the crisis as an unmitigated disaster, Touma sees it as a necessary evil. “We needed this jolt, the economies needed this jolt, and the world needed this jolt,” he said. “There was a lot of greed and ugliness that was not really thinking about the world as a whole, especially the dependencies that we have on basic entities.”

But could the global economic crisis really change the Middle East—and the world—for the better? Some are not so sure. Moubarak warns that the economic problems could cause unrest in the region.

“In the Arab world we have a crisis of legitimacy and a crisis of participation,” he said. “If countries in this part of the world are not able to continue oil distribution to buy calm and stability, then things might erupt.”

Baroudi says that this will happen only if the crisis becomes extremely serious. “A major economic downturn will destabilize political systems, but I don’t think that is coming,” he says. “The recession is not going to be of such a magnitude that it will really shatter vulnerable economies,” Baroudi said. “It’s like a low fever, a cold, that you have to struggle with for a long time.”

Making economic and political forecasts is more of an art than a science, and the only thing analysts seem to agree on is that no one really knows how bad the fallout from the financial crisis will be.

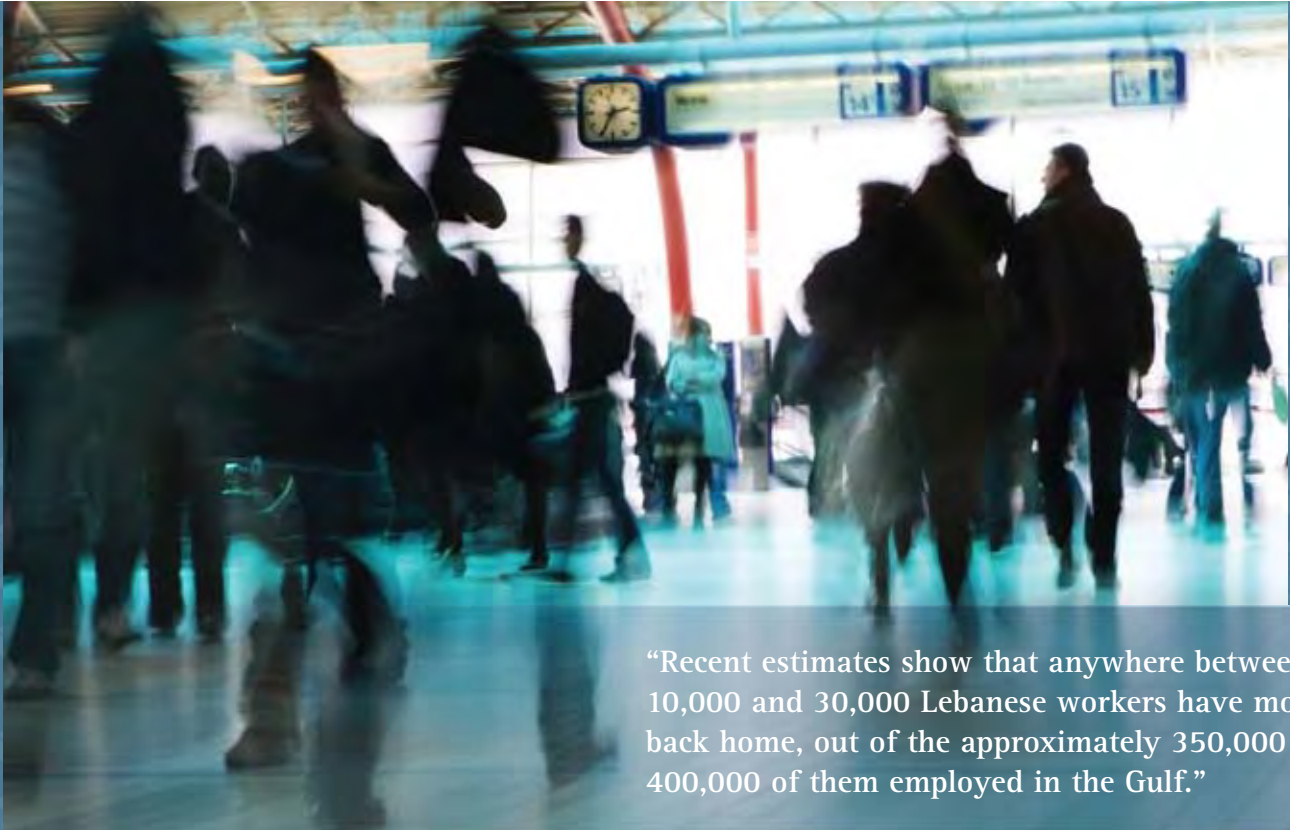
It seems that the political and economic outlook for the Middle East is as unpredictable as ever. But Touma is hopeful. “Yes, we have a problem,” he said, “and how bad it is is still very much in the perception game.”

He believes the benefits of this period of economic uncertainty could be enormous. “All in all, for the region, I see it as super positive,” Touma said. ☐



LAU Professor
Sami Baroudi





The Unexpected ‘Brain Drain’ Reversal

For Lebanon, the relative benefits of a job market in flux

By Lucy Fielder

“It’s no longer the gold rush,” said LAU School of Business Chairman Michel Chalhoub, describing the increasingly challenging situation for Lebanese seeking work in the Gulf.

Jobs in the region have been growing scarce for a while, but ever since the financial crisis broke out late last year, stories of a Lebanese exodus in the opposite direction—homeward—have trickled out of the United Arab Emirates and particularly its commercial hub, Dubai. That trickle is now turning into a steady flow. As a result, Lebanon, after suffering from years of “brain drain,” now risks having more brains than it knows what to do with, Chalhoub said.

“You hear of people coming back because the comfort level is not the same now that the pressure is up, either in the form of pay cuts, or, as some of them called it, ‘broken promises,’” Chalhoub added. “They were told they were going to evolve in a certain way and now they are ‘plateauing.’”



LAU Professor
Michel Chalhoub



Writer Lucy Fielder discusses the current economic situation with MBA students in Dr. Michel Chalhoub's class

In March, at one of Chalhoub's lectures on management theory, MBA students shared a wealth of anecdotal evidence on the Gulf exodus. Few said they plan to leave for the Gulf when they complete their courses if the current situation persists.

"I was thinking of going to the Gulf, but it's not a good time," said Syrian LAU student Rasha Al-Zrir. "So I'm going back to Syria. There are very few people with the MBA there."

Another LAU student, Paula Ghanimeh, said some of her friends who work in construction were being offered low compensation packages. "Even if there are job opportunities, they're ridiculous," Ghanimeh said. "People are just leaving—leaving their furniture, their cars."

Others elaborated on what Chalhoub meant by 'broken promises': Salary cuts. Slashed expenses. Expected promotions that have not yet materialized. Faced with these realities, many current students and recent graduates, usually the main causes of "brain drain," are choosing to stay put, although that almost always means accepting a considerably smaller paycheck.

Economists say it is too early to provide definitive statistics on repatriations from the Gulf, but recent estimates show that anywhere between 10,000 and 30,000 Lebanese workers have moved back home, out of the approximately 350,000 to 400,000 of them employed in the Gulf. In December, Lebanese Finance Minister Mohammad Chatah noted that, with Gulf companies paying roughly four times the income of their Lebanese counterparts, expats in the region send home remittances that play a major role in the Lebanese national economy and that total an estimated \$6 billion, or about a quarter of the country's annual GDP.

Chalhoub, who has discussed the phenomenon of Lebanese

repatriation with a number of business and banking managers and human resources personnel, said, "Most of the HR managers we've been in touch with in the industry are saying that, instead of seeing a surge in people making a U-turn and coming back, they saw a slowdown in the exits." The effect is the same: an expanding pool of expertise in Lebanon.

Given the longstanding concerns about "brain drain," there is a distinct upside to this trend, particularly for employers.

Hamza Hoteit, another MBA student at LAU, works for a leading Lebanese cleaning company. A year ago, the firm advertised for engineers but found no qualified, suitable candidates, Hoteit said. "Now we have so many applicants, we can pick and choose. Most of them are new graduates, but they're not looking outside," he added, noting that there are now approximately seven qualified, short-listed candidates for each position.

LAU itself has benefited from this growing pool of skilled job-seekers.

"In the past two years, we've felt that the Gulf was draining our resources, especially engineers, because Lebanese engineers were in demand," LAU Director of Human Resources Nabil Semaan said. "Now you find an abundance whenever you advertise an engineering job. There's a vast difference between now and last year."

Because of LAU's master plan to expand its facilities, the university currently employs around 20 engineers. Last year, at the start of the expansion program, there were about 15 or 20 applicants for each engineering job. Now, the number stands at around 70 or 80. "The caliber is higher, and many are people who have come back from the Gulf prepared to accept Lebanese salaries," Semaan said. 🌿

"You hear of people coming back because the comfort level is not the same now that the pressure is up."



LAU HR Director
Nabil Semaan



Students receive job information at the Bank Audi stand during the annual LAU Career Fair last year

“People coming back from the Gulf are well experienced,” Semaan added. “They have good exposure to their trades. So there is a good opportunity to take advantage of that experience.”

Ultimately, however, Lebanon’s economy must expand to stop the talent pool from stagnating.

“If we have new opportunities and ventures opening here, we might use these resources. But if it’s the same economy, I think there will be a big burden. You have to enlarge the economy to make use of them,” Semaan said.

“People are just leaving—leaving their furniture, their cars.”

Lebanese institutions have, paradoxically, often complained about losing skilled workers to the Gulf, but have not offered opportunities to stem the tide, Chalhoub said. “I haven’t seen any orchestrated program, for example, led by the public sector—in relation with the private sector, chambers of commerce, or associations—to stop the ‘brain drain.’ Our graduates have to go somewhere.”

Banking, for instance, is historically the leading sector in Lebanon. But MBA graduates may be offered as little as LL400,000 to LL500,000 (\$266 to \$333 per month), Chalhoub said. “They have to wait a long time to move up through the ranks, and there are only a few positions up there,” he added. “Once the markets restabilize, we’re going to see that exodus again.”

Chalhoub emphasized that LAU’s creative, modern approach to education equips students to deal with the challenges of a global market in flux, placing the university’s graduates in high demand.

His Strategy and Environmental Management course is consistently oversubscribed, as MBA students recognize its message of social responsibility and environmental awareness alongside good, profitable business practice—a balance that is increasingly relevant in today’s job market. Concepts like this have been slow to catch on in Lebanon, Chalhoub said, but by passing them on to its MBA graduates, LAU can not only prepare its students better, but can also spread such ideas to the country’s wider business culture. Chalhoub added that he would like the course to become a full-fledged program and to expand to the undergraduate level.

“That relevance to the global job market is what we need to focus on so that we anticipate those needs and remain always at the forefront,” Chalhoub said. “We need these major, modern topics that combine business sense, pharmacy, engineering and medicine with social responsibility, so that we pay something back to society. I think the opportunity is certainly there.”



A globally recognized mark of distinction

LAU Professor and Continuing Education Program Acting Director Michel Majdalani with a CEP graduate, CEP Commencement '08

Continuing Education in the New Economy

By Dana Halawi

"Nowadays, it is not enough to have a continuous job or career to be able to catch up with everything," said Jawad Fakihi, who recently completed a degree in LAU's Continuing Education Program (CEP). "Instead, you should always take a break and review what happened in your field of work. Believe me: You will discover that you have missed a lot."

Whether training mid-career professionals or recent graduates, CEP provides its students—600 annually—with the skills and knowledge to master the most cutting-edge developments in their chosen professions. Its 17 programs range from professional fitness to corporate human resources and beyond.

"Continuing education programs for American-style universities are created with the purpose of realigning the knowledge gap between acquired academic knowledge and the demanding professional needs of the private sector," said CEP Acting Director Michel Majdalani. He explained that CEP is geared for non traditional students, such as working professionals who need to upgrade specific skills, unemployed individuals who seek to acquire new industry-based experience, fresh graduates who may lack the latest professional knowledge, and those who plan to transition from one industry to another.

"While technology and the way to do business are developing fast, professionals need to have the chance to at least review what happened during the time they were involved in a certain project," said Fakihi, an LAU graduate who went on to receive a Certified Information Systems Auditor (CISA) degree from CEP and now works as a financial accounting consultant at Procons-4it. He noted that, for students or professionals who have already chosen a specific industry or specialty, a continuing education degree is more useful than a master's. 🌿

Fatima Kassir, a preschool education student, CEP Commencement '08

"It is more like a structured, on-the-job training curriculum as opposed to the regular MBA."



The CEP stand at the annual job fair, FORWARD, Beirut

Fakih added that the CISA degree has been vital in enhancing his professional skills: "The course covers all the topics we take in university and wraps them in a more realistic and practical package."

"CEP plays an essential role in the economic cycle of a society and in human capital formation."

Makram Abdelmalek, business development manager at Jubaili Bros., said he was impressed with the way CEP closely simulates a real-life working environment. "It is more like a structured, on-the-job training curriculum as opposed to the regular MBA, which is more academic and theoretical in nature," he said, adding that a CEP degree can lead to a higher salary because it enhances employee performance.

"Professional certification also translates into a higher pay-scale differential than getting, say, an MBA, something that many candidates voice as an equally important consideration," said Majdalani. "Certification is becoming a trend driven by industry competitiveness and by employers signaling they need more efficiencies, more ethical standards and more professional know-how on the job," he added.

According to Ludwig Keoushguerian, finance and accounting manager at Aishti, the Certified Financial Analyst (CFA) degree he received at CEP has led to better job opportunities: "CFA designation is a mark of distinction that is globally recognized."

Education experts also point to the positive effects professional degrees can have on the business world and the economy.

"American-style continuing education programs have been linked directly to the needs of the local or regional economy and have been proven to affect economic growth," said Majdalani.

According to a recent study by Majdalani, British philanthropist Edward Denison credits increasing levels of education with a 16 percent rise in the total potential output in the non residential business sector, along with a 30 percent spike in employee productivity.

Majdalani also pointed to research by the firm Dickens, Sawhill and Tebbs, which states that a 10 percent increase in education translates into a GDP growth rate of 7 to 8 percent. The study also found that higher levels of education contribute to a 13 to 30 percent rise in labor productivity.

These findings are especially relevant for Lebanon and the Middle East. The region faces high unemployment rates that result in a state of "waithood" for local youth, who must often bide their time until job opportunities become available. This situation, Majdalani said, "could well be minimized through institutions that mediate the transitions from school to work and then to family formation, and therefore provide better employment opportunities for youth."

"CEP plays an essential role in the economic cycle of a society and in human capital formation," he added.

Majdalani said that, with current employment trends likely to continue, CEP plans to expand its offerings. The program, he explained, "is expected to grow from currently 17 programs to about 25 programs within a year—a very reachable target." ■

The CEP's pre-school
training program



LAU Joint Ventures

Teaching with Technology Workshop

By LAU Staff



Dr. Joe Codde and Dr. Mona Nabhani, Teacher Training Institute director, with a workshop participant

How do you get students from Michigan to find common interests with students in Algeria? The answer: blogging and video conferencing.

Technology can change minds and reach students quickly, said Dr. Joe Codde, professor of education at Michigan State University, U.S. He has been involved with educational technology at MSU for 14 years and now shares his experience and knowledge with LAU.

In March, Codde launched a series of workshops as part of a three-year cooperative agreement between the LAU Department of Education and MSU. The project is funded by a USAID/Higher Education for Development grant. Dr. Iman Osta, associate professor of mathematics and computer education at LAU, coordinates the Lebanese side of the partnership.

In this, its second year, the program focuses on training teachers to use computers in their classrooms. Eighteen teachers from schools across Lebanon—both public and private—participated in the workshops.

The idea is that technology in the classroom makes both teaching and learning easier. “This is not a program to teach teachers how to teach technology,” Codde said. “We want to go beyond that. We want to teach teachers how to teach *with* technology.”

That’s easier to say than to do, said May Mehri, from Infan School, who participated in the workshop. “We need to integrate technology into the Ministry of Education curricula,” she said. “We need to link our lives with our classroom; technology can do this. But we have to know how to use it.” ☐



Dr. Codde, head of MSU's graduate Educational Technology Certificate Program, at the event's opening ceremony

LAU Joint Ventures

Tomorrow's Leaders

By Andrew Wander

In a part of the world that needs forward thinking to meet the challenges of the 21st century, LAU is pioneering a program to unlock the potential of the next generation of leadership from across the Middle East and North Africa.

The Tomorrow's Leaders program offers full scholarships to students who show outstanding potential but might otherwise miss out on the chance to study in an American education system.

The program is a joint enterprise between the U.S. State Department's Middle East Partnership Initiative (MEPI) and the top universities in the region. It seeks to groom carefully selected students for future leadership roles.

Six Tomorrow's Leaders scholars, from Egypt, Palestine and Yemen, started work on their degrees at LAU's Byblos campus in September 2008, but the program is about more than academics.

A joint enterprise between the U.S. State Department's Middle East Partnership Initiative and the top universities in the region

In addition to the lectures and seminars attended by any LAU student, the scholars will undertake an intensive program of internships, visits and discussions aimed at discovering their leadership potential.

Speaking at the launch of the program in January, LAU President Joseph Jabbara said that the Middle East needed a new kind of leader. "This region is begging for strong and visionary leaders, begging for leaders who are doers, for leaders who can measure up to the challenges of the 21st century so that the change going on through this region will be a change for the better," he said.

It's a message that the students themselves seem to have heard loud and clear. "I want to be a leader...I want to do something big to help my country be better," said Ahmed Saleh, 18, one of the Tomorrow's Leaders students from Egypt. "Not only my country, but all the Arab countries," he added.

The program coordinator and director of the University Enterprise Office, Dr. Walid Touma, said that the aim of the project was not to manufacture leaders but to allow those with innate leadership ability to use it constructively.

"I don't believe you can make a leader out of any human being," Touma said. "Leadership...it's in your genes. What it is you want to do with a leadership gene is drive it with experience."

But if it takes time to unlock leadership potential and reap its rewards, no one seems to have told the students, whose enthusiasm and sense of purpose seem second to none.

"I will get back to my country and maybe make a change," said Aseel Baidoun, 18, from Palestine, adding that the program had given her new confidence and inspired her with hope for the future.

LAU plans to expand the program in coming years. The goal is to have at least 35 carefully selected scholars studying at LAU within three years. In line with the university's historic commitment to advancing the position of women in the Arab world, two-thirds of them will be female.

LAU is one of three universities in the region taking part in the program. The American University of Beirut and the American University in Cairo are also offering the scholarships. ☐

LAU President Joseph Jabbara speaking at the inaugural reception of the Tomorrow's Leaders Scholarship Program

The six LAU students enrolled in the program, from left: Ahmed Saleh, Rana Qudairi, Aseel Baidoun, Marian Hana, Arzak Mohammed, and Luqman Yousef



Journalist Roula Douglas was invited to speak to the students at the program's first round-table discussion

LAU in History

Sarah Smith: Pioneer, Founder, Visionary

By Dalila Mahdawi

"I firmly believe that, looking down from heaven upon LAU's two campuses, Sarah is more than pleased with the glorious superstructure that now rests on the foundations she started to build 175 years ago."

—Rev. Robert Stoddard

When Sarah L. Huntington Smith arrived in Beirut on January 28, 1834, she could not have foreseen that the small girls' school she founded would grow into one of the Middle East's finest institutions of higher education, the Lebanese American University (LAU).

Now, some 175 years after her arrival, her story has finally received the attention it deserves: The Rev. Robert Stoddard, LAU's former vice president for development, recently gave a series of captivating lectures on Smith's life.

In 1999-2000, when LAU celebrated its 75th anniversary, "precious little was known about the school's American missionary founder, the enigmatic 'Mrs. Smith,' and her little school for girls that evolved into our modern university," Stoddard said at the lectures. "Who was this mysterious woman who first dared to educate 'Arab' girls?"

Smith was born in Norwich, Connecticut, in 1802 into a devout and privileged family. Her missionary work began when she helped found a school and church for the Mohegan Indians living nearby, an effort that saved the tribe from forcible relocation by the government.

She later married the Rev. Eli Smith, and together they made the momentous journey to Beirut as Protestant missionaries.

Upon landing on what she called "Syria's sacred shores," she began informally teaching a few local girls, an endeavor that grew into Mrs. Smith's Beirut Female Academy, admitting some 40 pupils.

Smith's life came to an abrupt end when she died of consumption at the age of 34, not long after being shipwrecked on a boat trip her physician had recommended to help improve her health. But her life was not in vain: Her "exceptional God-given talents, daring vision, hard work and personal sacrifices" helped transform the Ottoman Empire, Stoddard said.



The National Evangelical Church of Beirut now stands where Sarah Smith first founded the school for girls that became LAU

The institution Smith founded continued to flourish, evolving into the American School for Girls, and later the American Junior College for Women. In the late 1940s, the school expanded again and changed its name to Beirut College for Women, then became the coeducational Beirut University College in 1973—and, in 1994, Lebanese American University.

The university's roots "go back further than those of the first college for women in the United States," Stoddard said. Today, LAU continues to celebrate its history: Its oldest body is the renowned Institute for Women's Studies in the Arab World.

"I firmly believe that, looking down from heaven upon LAU's two campuses, Sarah is more than pleased with the glorious superstructure that now rests on the foundations she started to build 175 years ago," said Stoddard, who also has a notable history with LAU. He first came to Lebanon in 1979 and served as BUC's director of development for North America for eight years, returning in 1999 to resume his leadership role at LAU. Since retiring in 2005, he has dedicated himself to studying the history of missionaries in the Middle East and what he calls the "mostly forgotten genesis of LAU."

To culminate his lectures, Stoddard presented the university with a first edition of Smith's memoir, compiled by her brother-in-law in 1845. Stoddard also offered a digital reproduction of a portrait of her that dates from 1833. The original painting, which hangs in Park Congregational Church in Norwich, is the only known picture of Smith. ■

The university's roots "go back further than those of the first college for women in the United States."

Rev. Robert Stoddard gives a lecture at the Near East School of Theology and the National Evangelical Church of Beirut



The LAU Campaign for Excellence

LAU Launches The Legacy and the Promise in North America

By Gregory Houle

LAU launched the first comprehensive North American fundraising campaign in its history at a gala dinner in Los Angeles on February 26. Husam Diab, Lebanon's Consulate-General in Los Angeles, and Dennis Zine, Los Angeles city councilman, were among the many guests in attendance.

LAU officially kicked off the public phase of The Legacy and the Promise last October with a huge celebration in Beirut. The Los Angeles event marked the launch of the U.S. campaign. The dinner also provided an opportunity to celebrate LAU's recent successes and to outline the university's impressive plans for its future to some of its North American based constituency.

More than 140 guests attended the event, including members of LAU's administration and Board of International Advisors as well as alumni, friends of the university and members of the vibrant Lebanese community in Southern California.

"We are proud and humbled to have so many wonderful supporters in the United States and across North America," said Dr. Paul Boulos, chairman of the university's Board of International Advisors. "LAU is one of the leading universities providing a quality, American-style education to students in Lebanon and the Middle East, and we are grateful to have such wide-ranging support from people who recognize how important our mandate is."

President Joseph Jabbra told the crowd that the university has become a major force in higher education, not only in Lebanon but throughout the Middle East. He cited recently established partnerships with American institutions—such as Harvard Medical International and Northeastern University—as examples of LAU's broadening reach. The university is reconnecting with its American heritage and, as it does so, becoming a world-class institution, he said.

"I am consistently amazed by the reach LAU has," said Robert Hollback, LAU's director of development for North America. "Even thousands of miles away from Lebanon, we have a lot of alumni and friends. It is heartening to know that so many people here in the United States and around the world believe in our mission and support what we do."

LAU is planning more events in the coming months to introduce The Legacy and the Promise to alumni and friends in cities throughout the United States. The university has about 1,000 alumni in North America and that number continues to grow. ■



From left: Mohammad (Mike) Ahmar, Dr. Paul Boulos and President Joseph Jabbra



The Board of International Advisors at the Los Angeles Campaign launch



GOAL \$65 Million



RAISED \$37.3 Million



**THE LEGACY
& THE PROMISE**
LAU CAMPAIGN FOR EXCELLENCE

Profiles of Excellence

Building Commitment: **Amal Hourani**

In 1968, Amal Hourani and Mohammed Salem Al Dhahiri started a contracting company called ALGECO with 20 employees. Today the company, with Hourani as its chairman and general manager, employs 5,500 and is one of the leading construction management and general contractors in the United Arab Emirates.

Hourani has shared his success with LAU. Although he is not an alumnus himself, his wife Rima is a 1970 graduate of Beirut College for Women and his son Amer is an LAU alumnus. Hourani has been, as President Joseph Jabbra has said, "a true friend" of LAU.

Hourani's commitment to the university is attested to by his service as a board member and by generous donations since the 1970s. To honor this commitment, a lounge in the Business Building on the Beirut campus was named after him at a ceremony held in January 2009. It was not the first time the family's generosity has been so honored. Previously, an exhibition room on the Byblos campus was named after Rima Hourani.

LAU is not the only beneficiary of the Hourani generosity. A supporter of many charities, Hourani contributed to the rebuilding of Lebanon after the war in the summer of 2006.

Despite the current economic crisis, Hourani continues to contribute to LAU and hopes that others will as well.



Amal Hourani, his wife Rima, and their sons and grandson read the new plaque in the Business Building during the unveiling ceremony with Dr. Jabbra

Profiles of Excellence



Joseph Ghossoub addresses the International Advertising Association's World Congress in 2006



Joseph Ghossoub with HH Sheikh Mohammed Bin Rashid: UAE Vice President, Prime Minister and Ruler of Dubai

On Message: Joseph Ghossoub

Joseph Ghossoub is a man on the rise in the field of communication. Since 1997, he has served as chairman and CEO of The Holding Group (THG), a company at the forefront of media and advertising in the Middle East. Today, he has 250 clients in 14 nations.

While many expatriates tend to forget their origins, Ghossoub has not. For years he has generously given back to his mother country, with an emphasis on improving education. Now he is helping others achieve success in his own field. He realized that the Middle East lacks tools to provide practical training for students in the communication arts, so he approached LAU President Joseph Jabbra with a project to remedy the situation.

"Today, companies do not have time to teach," Ghossoub said. When a student graduates, he explained, she or he needs to be ready to work productively, without further training. Advertising budgets in the Middle East total nearly \$7 billion, so this can be a lucrative career for a well-trained professional ready to meet the challenge.

Ghossoub and Jabbra developed a program that will offer students hands-on experience, a chance to apply classroom theories, and the opportunity to work with actual clients in a six-month training program. When the program launches, LAU students will work with internationally known firms to

"This is not something that we can do overnight. This needs a culture... I can build the building, I can put in the computers, but you need dedicated people to deliver all this," Ghossoub said about the project.

The project will go forward despite the economic downturn. As Ghossoub explained, the advertising industry reflects the economy. It is, he said, first to get hit by an economic slowdown, and the first to come back when there is an economic upturn.

"People will not stop buying [and] they will not stop living. Maybe the frequency [of buying] will increase or decrease, but the world will continue," he said. Thus, the need for communication with consumers will continue.

Although this project is still in the planning stages, Ghossoub's other venture with LAU is well under way. The Joseph Ghossoub Annual Scholarship Grant now offers fortunate students the opportunity to pursue postgraduate degrees at LAU. ☐



Joseph Ghossoub with his wife, Daad



Engineering the Experience of a Lifetime for LAU Students



Dubai's recent explosive growth is due in no small part to the work of Dubai Contracting Company (DCC) and its visionary CEO, Abdallah Yabroudi—and this spring, Yabroudi announced his plans to involve LAU civil engineering students in the company's ongoing success.

Yabroudi visited LAU accompanied by a delegation from Syracuse University, which runs an established internship program with DCC. The Yabroudi delegation discussed its plans to collaborate with LAU in creating a unique opportunity for a group of civil engineering students, who will have the chance to travel to Dubai for a six-week internship experience. The annual DCC/LAU internship will be a competitive program designed to provide qualified students with a solid theoretical and technical base extending well beyond the standard classroom curriculum. By interacting with DCC's engineers and staff, students in the internship program will be exposed to a global network of driven individuals in what is perhaps the most dynamic environment for real estate growth in history.

A prominent philanthropist, Yabroudi also announced that he is ready to provide even greater support to the LAU School of Engineering, by establishing two endowments: one large, endowed scholarship to cover tuition fees, and another to cover field trip expenses and awards programs (such as the Best CIE Achievement Awards and Best CIE Design Project Awards) to students majoring in civil engineering. He added that he believes such incentives drive the recipients to be ambitious entrepreneurs in the future.

Thanks to Yabroudi's generosity and belief in the mission of LAU, the university will now have access to significantly increased resources as it continues to extend its academic excellence and its network of talented alumni throughout the Arab world.

Friends, Alumni Welcome LAU Visitors and Their Message

As always, LAU has kept in touch with dignitaries, friends, partners, and alumni in the Gulf region. University President Joseph Jabbra and nearly 250 other guests attended the annual dinner organized by the Alumni Association, Oman Chapter. The LAU officials then traveled to Saudi Arabia to spread the word about the university's academic excellence to Eastern Province, the largest province in the kingdom.

Prince Mohammad Bin Fahed, governor of Eastern Province, praised the role that Lebanon has played in improving the standards of education in the Arab world. The prince, who is interested in current plans and future projects at LAU, agreed to add his support to the launch of the LAU Campaign for Excellence in the Eastern Province. The event is scheduled for April 2009.

Later, Dr. Jabbra and vice president for development Samir Kadi were honored at a dinner hosted by Abdul Aziz Al Turki, a member of the LAU Board of Trustees. Around 30 influential attendees listened with interest to a discussion of progress at the University and its fundraising campaign.



From left to right: Vice President for Development Samir Kadi, Sheikh Abdul Aziz Al Turki, HRH Prince Mohammad Bin Fahed Bin Abdul Aziz, governor of Eastern Province, and LAU President Joseph Jabbra

LAU Board Members: In Profile



Leila Saleeby Dagher

After nearly two decades of service, Leila Saleeby Dagher ('60) recently retired as consultant to the vice president for Student Affairs, but her involvement with LAU continues. She is on the Board of International Advisors and is president of the Alumni Association.

Dagher fell in love with her alma mater while working in two Beirut College for Women projects: Neighborhood House, a school for children who couldn't afford to attend school, and the literacy program for women workers at Regie, the national tobacco company. She returned to LAU as director of relations, setting up alumni chapters throughout the Middle East and Europe. In 1997, she dedicated herself to admissions.

It is LAU's high standards and "student-centered atmosphere" that separate it from other universities, Dagher said. "The faculty's doors are always open, while in ... some other universities you have to have an appointment." Two of her children are alumni of LAU.

Born to the family of one of Lebanon's first ophthalmologists, Dagher believes education should go hand in hand with culture. When students attend LAU, she said, "they are not only educated but also cultured, and hopefully they will be taught to accept each other, to love each other and to live with others."

For graduating students, Dagher has a few words of advice: "If you love what you're doing, you will do it to perfection." Currently working toward a doctorate at the University of Leicester, U.K., Dagher is writing her dissertation on the history of LAU.



Joseph Maroun

"My dream was to fly," said Joseph Maroun, who has a master's in aeronautical engineering and was a commercial pilot for Pan American Airlines. The waning fortunes of PanAm led Maroun to look for a new career, one that came from his own heritage and, as it turned out, from his own hand.

Pita bread in San Francisco, California, was so rare in the 1970s that it was "sacred, it was gold," he said. So between flights, he worked at a Lebanese bakery learning the craft. Baking wasn't his dream, but it was his destiny. In a leap of faith, he abandoned his dream of flying and opened a bakery. He recalls telling his wife, "Potentially, we might end up with an olive and piece of pita bread for dinner."

His luck held. Now, with the help of his wife, Carmen, Maroun is head of Caravan Trading Company, which produces Hispanic bakery goods as well as the treasured pita.

Having achieved success himself, he now gives back to the world and to his community. After the Asian tsunami, he donated more than 100,000 ready-to-eat meals to its victims. "Giving is the best thing a human being can do," he says.

For his community, he has endowed a scholarship fund at LAU and he serves as secretary of the LAU Board of Directors. Through his service, he hopes to instill motivation in students. The most important thing in life, he said, is to not lose track of what you aspire to be.

LAU's Board of Trustees Meets in Florida

The university's Board of Trustees convened for its semi-annual meeting on March 19 and 20 in Palm Beach, Florida. The board, which had previously met last September on the Beirut and Byblos campuses, gathers twice each year—once in Lebanon and once elsewhere—to engage in strategic planning and discuss the status of important university initiatives.



Sheikh Fouad El Khazen

Hard work, respect, honesty and a healthy degree of humility are the ingredients of his success, says Sheikh Fouad El Khazen. These qualities enabled him to move from an entry-level position in an engineering firm to chairman of Banque de l'Industrie et du Travail and become a leader in the Lebanese Contractors Syndicate and other prestigious organizations.

While juggling these responsibilities, El Khazen makes time to serve on LAU's Board of International Advisors. He is attracted to the role by his unshakable faith in Lebanon's younger generation.

Lebanon has an important role in the Arab world, El Khazen says: It provides a link between Eastern and Western civilizations. Although the country currently suffers from political turbulence, El Khazen believes Lebanon has enormous potential that—if harnessed by young and motivated people—could revive its reputation as "The Switzerland of the Middle East."

Participation by young people is vital, he said, and takes many forms: students can become civil servants; vote for responsible leaders and promote a culture of transparency, accountability and integrity. El Khazen wants students to stay in Lebanon after graduating rather than going abroad to work.

His commitment to higher education is demonstrated by generous donations to the university. "I'm interested in encouraging young Lebanese to obtain first-class university degrees in their own country rather than going abroad," he said. "In Lebanon, students can get the same level of education for less money, continue to live with their families and help improve the Lebanese economy."



Peter Tannous

In the 1880s, Peter Tannous's grandfather was co-founder of *Al-Hoda*, the first Arabic newspaper in the United States. It was, he says, "a voice from their heritage for all of the Lebanese expatriates who emigrated to the States." His grandfather subsequently played a role in the independence of Lebanon.

Now Tannous is carrying on the family tradition of aid to Lebanon by joining LAU's board of directors. "LAU offers me an opportunity to 'give back' by helping, in a small way, an important institution from a country that means a lot to me," he said.

This is not his first contribution to education or to his community. A graduate of Georgetown University, U.S., he has served on that institution's board of advisors, as well as on the boards of several health-care institutions and the board of the Christian Children's Fund.

Married with three adult children, Tannous has received the Order of the Cedar from the Lebanese government and the Ellis Island Medal of Honor.

He is president and CEO of Lynx Investment Advisory LLC, an investment consulting firm. He started the business with the idea of creating a work atmosphere "devoid of the pettiness and cliques that are so common in bigger firms." His colleagues, he said, are friends, as are his clients.

He anticipates the same camaraderie at LAU. "It is a joy," said Tannous, "to work with the dedicated and accomplished professionals who serve at the university and on its boards."

Dr. Charles Elachi and Dr. Mary Mikhael have been elected to the Board of Trustees as the next chair and vice chair, respectively and Mr. Fred Rogers was elected to the board as secretary. They will assume their positions on October 1st.



LAU Announces Three Major Promotions

By Gregory Houle

President Joseph Jabbra announced promotions for three members of LAU's senior administration at the March Board of Trustees meeting in Florida. In the presence of their fellow vice presidents and members of the board, Dr. Abdallah Sfeir, Dr. Cedar Mansour and Emile Lamah received word of their new positions during the final day of the meeting.

Sfeir, who will become LAU's first provost, joined the university in the spring of 1995 as founding dean of the newly established School of Engineering and Architecture—after spending six years as a professor at France's Ecole des Mines de Nancy and 20 years at the American University of Beirut. In 1996 Sfeir—who earned his M.S. and Ph.D. from the University of California, Berkeley—was appointed professor of mechanical engineering at LAU and granted tenure, and three years later he rose to the title of assistant vice president for academic affairs. In September 2003 he became vice president for academic affairs, a position that LAU will now eliminate with its elevation of Sfeir to provost. During his 13 years at LAU, Sfeir has seen prodigious growth in the number of full-time faculty at the university. Under the leadership of President Jabbra, Sfeir has contributed to the establishment of the Council of Deans and the new faculty governance structure, which includes the Faculty Senate. Through Sfeir's work in accreditation and in implementing the strategic plan, LAU has seen remarkable improvements in the development, structure and quality of its academic programs.

DR. ABDALLAH SFEIR



Mansour, who was promoted to vice president and general counsel, arrived at LAU in 1996 as general counsel and assistant to the president. A licensed attorney in Washington, D.C., West Virginia and Lebanon, Mansour—who clerked with the Honorable Franklin D. Cleckley in West Virginia after earning a J.D. from West Virginia University College of Law and a master's degree in education from the Holy Spirit University—has also served as a professor of business law at LAU and an attorney in Lebanon. As a special assistant to both President Emeritus Riyadh Nassar and President Joseph Jabbra, she played a key role in the development of university policies and procedures and allowed LAU to stand up to the increasingly complex challenges of conforming to the laws and regulations of both the United States and Lebanon. Mansour's door is always open to faculty and staff seeking counsel and guidance on countless administrative issues.

DR. CEDAR MANSOUR



Lamah, who was appointed to the title of vice president for finance, joined LAU in October 1994 as comptroller for the Beirut campus. An LAU graduate with a bachelor's degree in business, Lamah went on to become a certified public accountant in Montana, an accountant for a Lebanese bank and a senior auditor at Deloitte and Touche before returning to his alma mater to pursue his career. In 1996 he became LAU's university comptroller, rising to the title of assistant vice president for finance and, later, acting vice president for finance before being promoted to his current role. Throughout his distinguished career at LAU—during which he has overseen the university's budgets, grants, financial statements, internal systems and procedures, and investment and endowment portfolio—Lamah has upheld quality management, provided leadership and vision, and promoted operational efficiency and accountability. In addition, he developed the first five-year financial plan at LAU, spearheaded the inaugural issuance of the university's \$75 million taxable bond offering and became the first person to successfully implement the Oracle Financials System at a Middle Eastern university. Lamah's efforts and talents have contributed immensely to LAU's growth.

MR. EMILE LAMAH



"We are extremely proud of the hard work and dedication that Dr. Sfeir, Dr. Mansour and Mr. Lamah have provided to LAU," President Jabbra said. "Each one of them has been indefatigable in serving our university and will continue to make immense contributions to its growth."

Faculty and Staff on the Move



DR. LUMA AL-BALAA

After working at LAU part-time for five years, **Dr. Luma Al-Balaa** is now teaching full-time. Her classes include Sophomore Rhetoric, English II, and Representation of Women in the Arts and the Media. Her interest in women's studies and women's writing has led her to research children's responses to fairy tales. She is now assessing writing as part of the Ford Foundation – sponsored workshops on assessment. Al-Balaa is a member of a lecture series committee in the Department of Humanities, which is responsible for inviting speakers to LAU.



DR. GRACE DAGHER

An alumna of LAU, **Dr. Grace Dagher** completed her Ph.D. in the United States, then came back to teach at the University she loves so much. Now teaching Organizational Behavior, Introduction to Management and Modern Human Resource Issues in Business, she looks forward to conducting research and developing new projects at LAU.



MS. NATALIE DEGEL

Ms. Natalie Degel said her decision to come to LAU this year was a “no brainer” because she always wanted to return to Lebanon. Although she received her education in the diverse fields of political science, urban planning and teaching english to speakers of other languages, she has made her career in the field of education planning. She worked in the United States and Oman, where she founded a language-immersion program. Degel is now teaching English in what she terms the “vibrant and challenging environment” at LAU.



DR. HUSSEIN ZEAITER

Dr. Hussein Zeaiter is an LAU alumnus returning to Lebanon and LAU this year after spending eight years abroad pursuing his education in economics. Calling LAU his “first home,” Zeaiter said the university excels in research, academics and social life. He has already begun research in his field and plans to develop other projects that focus on young people.



DR. GARENE KALOUSTIAN

Dr. Garene Kaloustian is passionate about the education of children. She has a Ph.D. in early childhood development, has studied the relationships of preschool children with their mothers and worked with abused children in the U.S. She began teaching at LAU this year, which she deems a brilliant choice for her. Her new position “offers great opportunities for our students to excel in this field,” she said. She seeks to reestablish the LAU Nursery School, “one of the few, if not the only, children’s lab schools [for early childhood education] in a university in the whole Middle East region.”



DR. SELIM NASSER

Dr. Selim Nasser studied medicine at Lebanon’s St. Joseph University and completed his fellowship at Boston General Hospital, Harvard Medical School in the United States. Now he is on the faculty of the LAU Gilbert and Rose-Marie Chagoury School of Medicine. The medical school partners with Harvard Medical International, a partnership that Nasser says “is a testimony to the high standards the medical school is aiming at.” His part in this “great venture” is the development of the school’s curriculum, specifically the histology and pathology programs.



MS. SURAYA RAHME

Australian-born **Suraya Rahme** lived in Lebanon while an undergraduate. She had long heard of “LAU’s excellent reputation and success” and was attracted to its professional atmosphere and campus life. After finishing her graduate studies in teaching English to speakers of other languages in Australia, she came back to Lebanon to further her career. She has taught a variety of English courses at LAU, first on a part-time basis and, starting this year, as a full-timer.



DR. ABDUL NASSER KASSAR

After more than 14 years teaching part-time at LAU, **Dr. Abdul Nasser Kassar** has joined the School of Business full-time. He completed his studies in mathematics in the United States and returned to Lebanon where he worked at a number of local universities. He is working on several research projects with colleagues in Lebanon. Over the years, “LAU provided all the support and assistance [for me] to become a more effective teacher and researcher,” he said.

Faculty and Staff on the Move



MS. DANA HODEIB EIDO

Before assuming full-time teaching duties at LAU, Dana Hodeib Eido worked at the American University of Kuwait and the Lebanese Banking Association, where she taught business English. She also worked part-time at LAU for four years. She so enjoyed working in this “dynamic institution, where faculty members are given the chance to grow intellectually as well as professionally” that she chose to work here full-time. She hopes “to make a positive and substantial contribution to LAU’s constantly evolving academic programs.” She is currently attending the Ford Foundation-sponsored workshops on learning assessment.



DR. JEANNETTE NASSIF

Dr. Jeannette Nassif, another alumna turned faculty member, first joined the LAU faculty part-time in 2003. This academic year, she will work for the University full-time as a clinical assistant professor. She has taught at Lebanese International University and served as an executive secretary in its University Research Council. She now teaches pharmaco-therapeutics and precepts students at hospitals and community practice sites. She is looking forward to maintaining “the quality of teaching in the school of pharmacy in particular and LAU in general.”



MS. ALYA KARAME

Alumna Alya Karame returned to Lebanon after completing her master’s degree in graphic design in London, U.K. She taught briefly at the American University of Beirut before joining the faculty of LAU. She is a beginner in Arabic calligraphy, a skill that takes 10 years to perfect. Karame began this hobby abroad. She now studies with the well-known calligrapher Mokhtar El Baba. She tries to incorporate this skill into her art and teaching.



DR. HUSAM ABU SAFE

Before coming to LAU, Dr. Husam Abu Safe was a professor at the University of Arkansas, U.S., where he was part of a research team that worked in physics, material science, and electronic device fabrication. He is still involved in this research. He joined the LAU faculty due to the university’s strong biology unit and hopes to be involved in activities at LAU and within the larger community. Obviously passionate about his field, Abu Safe is thinking about research “incorporating material fabrication processes through nano-technology into living cells,” he said.



DR. LAMIS KARAOU

Dr. Lamis Karaoui received a B.S. in biology from the American University of Beirut before enrolling in the School of Pharmacy at LAU. She graduated with a Pharm.D. in 2005 and completed her residency in the United States. She has returned to teach at her alma mater where, she says, her student experience was “gratifying.” She intends to be an active member of the Volunteer Outreach Clinic and hopes to invest in future projects that will give better visibility to the School of Pharmacy and to LAU.



CampusNotes

Inspiring Change

In January, students on the Beirut campus staged a **sit-in for peace** and solidarity with the Palestinian victims of the Israeli aggression. Blood donations were collected by LAU's Red Cross Club, whose members provided students with information on various ways to support the citizens of Gaza.



As a part of its campaign "**Kanzet el Sajeen**" [Prisoner's Sweater], Offre Joie—in collaboration with LAU's Social Work Club—set up a booth in front of Irwin Hall on the Beirut campus for two days in January. Clothes and personal hygiene products were collected for inmates. Donations were later packaged and distributed to Lebanese prisons. Offre Joie, a non governmental organization, has been implementing this campaign across the country, especially in universities and schools. The campaign focuses on prison reform and improving the living conditions of detainees. Last year Batroun jail was refurbished. This summer, Offre Joie will target the prison in Baalbek with the goal of providing a healthier environment for inmates.

During the Christmas season, the LAU guidance office on the Byblos campus organized a charity event in which donations were accepted on behalf of the **Lebanese Red Cross** in Byblos. More than \$2,500 was collected to purchase gifts for needy children. The event was held in collaboration with the Student Council and the Graphic Design Club.



Experts Explain

Four LAU students organized a cancer awareness conference for women entitled "**I Can Cervive.**" The conference was held in January at Irwin Hall on the Beirut campus. The event, which was part of the Introduction to Public Relations class project, brought together experts in the field to discuss ways women can prevent and fight cancer, such as early detection and intra-muscular injection for cervical cancer caused by the sexually transmitted disease known as human papilloma virus (HPV). The speakers also discussed the psycho-emotional stages cancer patients go through and offered tips on how patients and their families can better cope with the disease.



Experts Explain



Pharmacy students went to the International School of Choueifat-El Koura on to teach 4 through 12 grade students how to avoid consuming poison. The trip was part of the **Poison Prevention Campaign**. The No Apathy Pharmacy and Health Student Society (NAPHASS) told the students what poison is, where it can be found, and what happens if it's taken and provided them with instructions in case of poisoning.

In January, the Natural Sciences Department on the Beirut campus, in collaboration with the Lebanese Association for Nutrition and Dietetics and the Middle East and North Africa Food Safety Associates, held a **workshop on nutrition** problems and the risks of such problems in the MENA region. Experts provided recommendations, such as following a Mediterranean diet and establishing regional food-safety institutes. They called for increased awareness of dietetic issues as well as creating a scholarship program for Lebanese students in the Gulf universities that will provide students with the opportunity to learn about the region's unique diets and safety issues.



An international delegation, including former Albanian President Alfred Moisiu and Universal Peace Federation officials Heiner Handschin from Switzerland and Satashi Higashimori from Japan, visited the Beirut campus in January to learn about the **AL WALID GC – LAUMUN** (Alpha Leadership Web for Arab Leaders in International Diplomacy) program and meet with its student secretariat. The diplomats discussed the role of religion in peace-making and compared their countries' backgrounds with that of Lebanon.

During a panel discussion entitled **"Barack Obama: Arab Expectations from Election Day to Inauguration,"** professionals shared their views on the likelihood that the U.S. president will bring about change in the Arab region. The event was organized by the Institute for Media Training and Research on the Beirut campus and took place a day after Obama's inauguration. The speakers seemed to agree that Obama will not bring drastic changes to the region. Rather, they claimed that U.S. policies will probably remain the same and that, overall, Arab expectations are exaggerated.

Also in January, the Political Science and International Affairs unit on the Byblos campus hosted a lecture on **"Transition to President Barack Obama's Administration and Focus on Diplomacy,"** during which a U.S. foreign service officer in Lebanon, Bridgette Walker, spoke about the probability of change under Obama's presidency in the day-to-day operations of policy management.



Arts & Culture

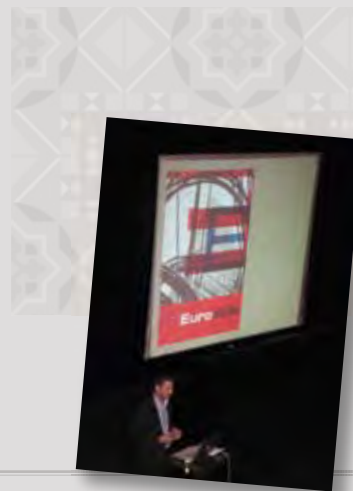


The Center for Lebanese Heritage also invited 94 writers to a cultural event on the Beirut campus in January. The writers received a copy of Dr. Michel Geha's book, *The Short Story Book in Lebanon*. The 800-page book, published by the center and the German Institute for Oriental Studies in Beirut, includes selected short stories, biographies and lists of the writers' publications.

UNESCO has named Beirut the "World Book Capital 2009." In response, the **Center for Lebanese Heritage** dedicated this year's series of events to Lebanese writer Amin Al Rihani. The first lecture, which took place in January, focused on Al Rihani's Lebanese identity, his Arabic outlook, and the relevance of his thoughts to the current situation in the Arab world.

The second event, held in February, focused on the importance of Al Rihani's philosophy in the world—specifically in Russia—because he addressed the nexus of traditions, ideas and religions in the 12th century and criticized the German philosopher Nietzsche's ideology of individualism.

The March lecture brought together researchers from Spain and Morocco to talk about Al Rihani's trips to those countries and to share their views on his books, *Nour al Andalus (The Illumination of Andalusia)* and *Al-Maghreb Al-Aqsa (The Far Morocco)*.



In February, graphic design students on the Beirut campus were treated to a lecture by Italian designer Paolo Tassinari entitled **Letter by Letter**. Tassinari's talk provided a new view of the alphabet. For each letter, he introduced a thought or a project by his Tassinari/Vetta design office. The next day and for three days thereafter, Tassinari worked with 20 senior graphic design students to design and print an architectural guide to Beirut.



On Display

The **Department of Architecture and Design** held an **end of semester exhibition** on both campuses to display students' projects. In Beirut, the exhibition was held at Sheikh Zayed Hall; in Byblos, the exhibition took place at the Rima Hourani Exhibition Hall. The students showcased their designs and constructions of buildings and apartments which took into consideration the needs of their clients. The Beirut exhibit ended March 16; the Byblos event continued until the end of March.



Center Stage

Fall 2008's major theater production, **Utopia**, was directed by Nagy Souraty. The play addressed mankind's struggle against an existence based on materialism. The characters in the play question the true value of life and the results of their actions. The set and costumes were very simple but symbolic, and included the skin-colored cloths that were used to reveal and hide emotions, and a center-stage black trampoline representing a refuge.





Lebanese Women Soldiers Honored

Lebanese women are gaining ground in the battle against gender discrimination, according to LAU officials, who pointed to the growing number of women opting for careers in the Lebanese Armed Forces (LAF). Some 2,000 women soldiers were honored at a ceremony organized by LAU's Institute for Women's Studies in the Arab World (IWSAW).

The ceremony highlighted "that the Lebanese army really looked up to women soldiers" and valued their service as much as that of their male counterparts, said Anita Nassar, assistant director of IWSAW. Lebanese women have made considerable strides in both the army and other sectors of society since 1991, when the LAF opened to women, said Colonel Ghassan Gharzuddine on behalf of LAF Commander Jean Kahwaji. "We promise you, the army will continue to protect the homeland and embrace everyone in the country."

Ordinary women have done extraordinary things throughout history for peace and prosperity, IWSAW Director Dima Dabbous-Sensenig said in a speech to about 50 women soldiers. "Today we are participating in a most important achievement—the participation of women in the army." History is filled with women who have taken up arms and often led men in battle, Dabbous-Sensenig said, recalling Jeanne D'Arc of France and the fifth-century Arabian queen Zanoobia.

International Women's Day was first celebrated in 1911 and gained official recognition by the United Nations in 1975. Today, International Women's Day is a national holiday in more than 15 countries.

Sidelines

Once again, LAU is proud of the triumphs of its athletes, in tournaments and in campus activities. Both the Beirut and Byblos athletic offices, headed by directors Sami Garabedian and Joe Moujaes, respectively, have offered athletes new competitions and opportunities to challenge themselves.

LAU Beirut athletes competed in the Table Tennis and Swimming Competitions held by the Lebanese Federation of University Sports (FSUL) at the end of February. In both sports, women achieved outstanding results. In table tennis, Joelle Tohmeh came in first, while Sereen Malak and Rayan Sleiman ranked second and third, respectively.

In swimming, Aline Hatab won two individual gold medals, one in the 50-yard freestyle and the second in the butterfly. She also won a bronze medal in the 4x50-yard relay. Dima Saidi took the silver medal in the 50-yard breaststroke and the bronze medal in the relay. The men's team won the bronze medal in the 4x50-yard relay.

On February 28, three Taekwondo practitioners competed in the FSUL National Taekwondo Championships and took top honors in their respective weights in the yellow belt division. Gold medals were won by Mohamad Chehadeh in the under-84kgs-category, Yazan Abdel Al in the heavyweight category and Alena Khalifeh in the women's under-55kgs category.

In basketball, the Byblos team advanced to the semi finals of the Seven University Basketball League (7UBL). Playoffs took place in mid-March.

The Byblos athletic department held the 7th Annual Inter-High School Invitational Tournament in late January. Six hundred athletes representing 24 high schools participated in table tennis, tennis and basketball. The purpose of the event was to scout high school athletes for future LAU teams.

LAU athletic departments participated in several new tournaments in March, such as FSUL's Football and Junior Basketball Championships for men as well as the Women's Basketball Championship. LAU will also participate in the men's and women's Futsal [indoor football] League competitions, which involve eight universities and are organized independently by the universities.



Byblos campus Athletics Director Joe Moujaes presents the MVP award to the captain of the Champville girls' basketball team

Lighting Lamps

Middle East Touring Exhibition Comes to LAU

The Eiffel Tower in Paris, Saint Basil's Cathedral in Moscow, the Statue of Liberty in New York, Big Ben in London and ... a tower of after-blast smoke in Beirut. That is how An-Nahar cartoonist Armand Homsy believes the world sees Lebanon.

In January, his work, along with that of six other caricaturists from the Middle East, was displayed by LAU's Institute for Media Training and Research at the Sheikh Zayed Hall. The exhibition included the work of award-winning British cartoonist Steve Bell, who is known for his political cartoons published in *The Guardian*. "The drawings hold much more than what they seem and therefore are what we call 'Lighting Lamps,'" said Bell, who attended the opening of the event.

Yazeed Alharthi (Saudi Arabia), Ali Ferzat (Syria), Emad Hajjaj (Jordan), Mostafa Hussein (Egypt), Jalal Rifai (Jordan) and Amer Shomali (Palestine) presented drawings about social issues in their countries. The cartoons of many Arab artists tackled socio economic issues in their countries, such as marriage, plastic surgery, inflation, unemployment, poverty, insolvency, excessive consumption, wasta (use of connections) and corruption.

"We had to choose non political cartoons, which is very difficult for us because we always pick on politicians," said Homsy.

For Yazeed Alharthi, the event had special significance: he was back at his university. He graduated from the LAU Pharmacy School. "I was first a cartoonist and then a pharmacist. But I am really happy to be in my old university again," he said.

The exhibit constitutes the last stage of the Media in Society project that was launched in 2004 by the British Council in partnership with the Guardian Foundation and the BBC World Service Trust.



Wherever You Go_____

LAU Magazine is your platform to share news about yourself and your classmates. We encourage you to keep us apprised of your professional and personal activities. *LAU Magazine* welcomes news from alumni representing all the university's current and former schools and colleges.

Submit via e-mail to alumni@lau.edu.lb.

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Former and current faculty and staff are invited to submit stories and photos highlighting their experiences at LAU for use in our different publications and on the web.

Submit via e-mail to marcom@lau.edu.lb.

Student Achievement



Rany Zeitouni with his mother

Rany Zeitouni

Studying Chemical Engineering in Cleveland

Sunday evenings, Dr. Latif Zeitouni, professor in the LAU Department of Humanities, sits by the phone. The habit began with the spring 2008 semester, when his son, Rany, left Lebanon for the United States to pursue his master's degree in chemical engineering. Rany Zeitouni is an LAU graduate in chemistry ('06). This year, he was awarded a full scholarship to Cleveland State University.

Dr. Zeitouni is proud of his son—as he is of all his children—although he sometimes wishes that at least one had an interest in the humanities. One daughter is a mechanical engineer, the other is an industrial engineer. And now his son is studying chemical engineering.

Since high school, Rany has demonstrated a talent for chemistry. His senior project advisor at LAU was Dr. Samira Korfali, chair of the Natural Science Department. Korfali is confident that Rany will succeed as a chemical engineer. He has a strong background in mathematics and physical chemistry, Korfali said, adding that “Rany has very good scientific ability.”



El-Tamimi

Amr El-Tamimi

Toward a Teaching Career in Theoretical Chemistry

Before he had to choose where to study for his Ph.D. or thought about which famous professor he wanted as an advisor or which college had the best atmosphere, and before he was offered full scholarships to nine U.S. doctoral programs in theoretical chemistry, Amr El-Tamimi seriously thought about becoming an aircraft engineer.

“I wanted to go flying and so on. It was appealing,” El-Tamimi said. “So I always had some sort of scientific idea in mind. Slowly I was attracted by natural sciences—the classical sciences—and I was thinking that I would start my own chemical company and I would be filthy rich.”

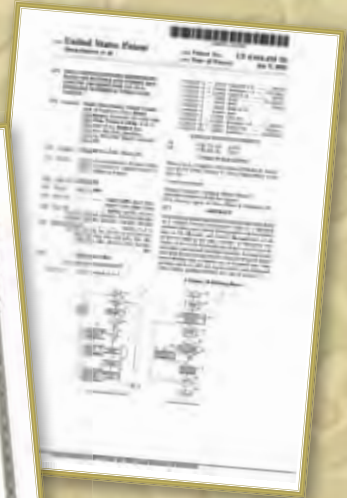
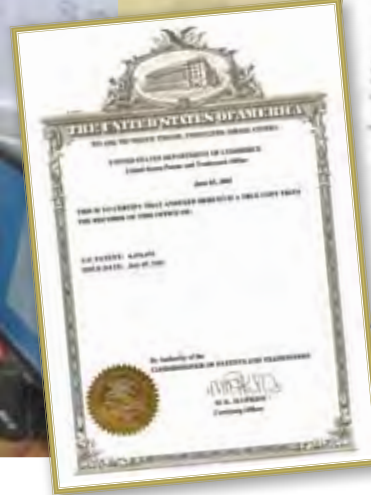
By high school, the “filthy rich” idea went away, and academia started to look more attractive, he said. He had already decided that corporate life was overrated. And he discovered the beauty of chemistry at LAU. The more complicated the science, the more he liked it.

Dr. Ahmad Hour, associate professor in the Natural Science Department of LAU, said he quickly realized that El-Tamimi had a very well organized theoretical mind. At the end of El-Tamimi's junior year, Hour had a serious conversation with his student. “He is very smart, exceptionally smart,” the professor said. He believes El-Tamimi will excel as a university professor.

El-Tamimi decided to skip the master's degree and go for a Ph.D. He said he wants to be involved in research as well as teaching, but he still has to decide where to study. “Stanford will shine on my resumé, while the University of Illinois has a bigger variety of theoretical chemistry programs. Everybody is tempting me these days,” El-Tamimi said.



Alumni Excel in the Workplace



Solving Problems with Samir Abou Samra

By Andrew Wander



“Claude Comair is from the same area as my mom, and Lebanon is small. I got to know his address.”

Ever wonder what made Mario walk or Luigi leap? How the slightest movement in your fingers can prove to be the difference between life and death in a computer game? Samir Abou Samra did. And in the course of his quest for the answers, the former LAU computer science student has solved software problems for industry giants such as Nintendo, Microsoft and Boeing.

About Samra's story began in Lebanon, and it has taken him to Canada, the United States, Singapore and India. In 1995, after graduating from LAU, he was recruited by Digipen, one of the world's leading three-dimensional software engineering firms, owned by Lebanese-born Claude Comair.

Like many Lebanese success stories, it started with a personal connection. “Claude Comair is from the same area as my mom, and Lebanon is small. I got to know his address,” Abou Samra said. “He was kind enough to call me frequently from Japan, without knowing me, to help me over the phone, and we met when he visited Lebanon.”

Spotting Abou Samra's talent, Comair offered him a job at Digipen to provide support to the Nintendo games console company. It didn't take Abou Samra long to make his mark. “Basically I improved the software on a machine that was created in Japan in the realm of 157 percent in speed,” he said. “I was lucky to find the solution and got promoted to a lead engineer.”



Samir Abou Samra with his wife, Mirna (another LAU alumna), and their children, Joey and Yara



The Digipen team, headed by Abou Samra, with representatives from the Renault Formula 1 project

“I improved the software on a machine that was created in Japan in the realm of 157 percent in speed.”



Samir Abou Samra met with Director Abdallah Al Khal and others at the Alumni Relations Office

It was the start of a career spent solving problems that other people didn't know existed. “I also had an improvement on the color Game Boy. We got five patents while leading a game,” he said. Three of those five patents were from Abou Samra's ideas.

The discoveries led to further promotions, with Abou Samra becoming vice president of operations of Nintendo in Canada in 1999. But like many Lebanese living abroad, the call of home persuaded him to move back in 2001, and he became chief operating officer for Digipen in Lebanon. He also set up a course at Kaslik University that ran between 2001 and 2007 to train the next generation of Lebanese software designers.

Digipen's operations in Lebanon were curtailed because of the July 2006 War, when clients lost confidence in the country's stability. “They were afraid we wouldn't meet deadlines because roads were closed, and there was no electricity or internet,” he said. “They decided that it is too much of a risk.”

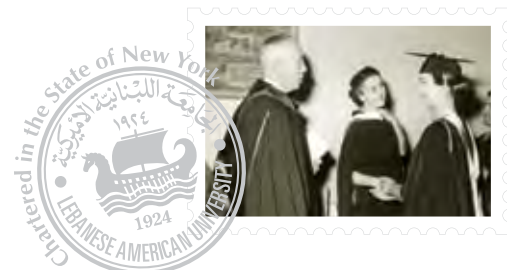
But Abou Samra was determined to finish the project and to honor his deadlines. He moved the workforce into his own house and paid for a generator and satellite communications. “We did our own networking, and we finished the project,” he said. Despite being very happy about the project's completion, the clients did not renew their contract with Digipen's Lebanon office.

Now back in the United States, Abou Samra is working for Boeing, where he was given an outstanding achievement award for solving a crucial software problem. He puts his success down to a never-say-die attitude to software development. “I always knew that whatever I'm told is undoable is doable,” he said.

Now back in the United States, Samir is working for Boeing, where he was given an outstanding achievement award for solving a crucial software problem.

He hasn't forgotten the role that his alma mater played in his success and believes that current students have every chance to succeed. “They are definitely in one of the right places to get their education,” he said. “During their time at LAU, they need to really take advantage of the outstanding facilities and the interactive approach of faculty members and gain as much experience as they can.” ☒

“They were afraid we wouldn't meet deadlines because roads were closed, and there was no electricity or internet.”



Alumni Excel in the Workplace



Banking on Communications with Najib Choucair

By Dana Halawi



Those who specialize in banking and finance should seek updated information, stay alert, prepare themselves for responsible management and develop their communications skills, according to Najib Choucair, senior director of the banking department at Banque Du Liban (BDL).

Choucair describes himself as “an energetic, persistent, hardworking man who accepts failure but learns from it.” He started his career at Bank of Beirut and the Arab Countries (BBAC) in 1985, where he stayed until joining Banque Du Liban in 1994.

This 1985 LAU business graduate was chosen by Fahim Moodad, director at BBAC and one of four vice governors who were appointed in 1993 with current governor Riad Salameh at BDL to help establish the banking department.

The LAU degree was the essential tool for furthering his career, said Choucair. “More than one of my LAU instructors had high positions and great experience in the banking sector, and this paved the way for me,” he said.

He believes that the banking and finance major at LAU is one of the best in Lebanon. “You can easily spot LAU students because of their performance and their up-to-date information in practically every aspect of banking and finance,” he said.

Choucair favors LAU not only for its first-rate education but also for the superior communication skills and excellent relationships it fosters among its graduates. “Communication gives you the power to make a difference,” he said. “Most of my LAU colleagues are now in high positions in almost every sector in Lebanon and abroad.”

As senior director of the banking department at BDL, Choucair’s responsibilities are countless. He is in charge of supervising the financial state of commercial, Islamic and mid-

“Communication gives you the power to make a difference. Most of My LAU colleagues are now in high positions in almost every sector in Lebanon and abroad.”

term banks and their sources and uses of funds, as well as the examination of banks’ applications for the establishment of new branches or mergers.

In spite of the immense demands of his position, Choucair makes sure to build a pleasurable working environment based on trust. “Every day I try to instill an enthusiastic spirit among my staff. I entrust my employees to take the lead over important projects,” he said.

Choucair studied business in order to work in finance because it has always been the most active and promising sector in Lebanon and the region, he said. Despite the global financial crisis, the solid reputation and performance of the Lebanese banking sector attracts depositors from the world over.

He credits the stability of the Lebanese banking sector to the confidence-inspiring model that BDL created over the years. It is a model based on several components, such as refusing any act that might lead to a bank’s bankruptcy or impose losses on any depositor or correspondent of a Lebanese bank. Other measures that BDL took to maintain confidence were stabilizing the Lebanese pound exchange rate against the U.S. dollar and limiting investment in structured products.

Choucair’s responsibilities at BDL do not prevent him from keeping his ties with his old colleagues and friends or from following the developments taking place at his university, which holds for him “the best memories ever.”



Najib Choucair at an IMF seminar, with Jacques Loubert and Jim Aziz (IMF) and Ashraf El-Wekeel (Central Bank Of Egypt)



Alumni Excel in the Workplace



Wissam Fahed and his two-year-old daughter Nai

“Each time I teach my students something and relate it to real life, I help them. I give real-life examples to bridge the gap between academia and real life.”

Leading, Earning and Teaching with Wissam Fahed

By Ceem Haidar



“My career began with the World Bank,” said Wissam Fahed, Ph.D., part-time business and economics faculty member at LAU. Only 21 years old at the time, Fahed was an economic consultant to the Lebanese Ministry of Finance. “I was recruited into the World Bank project to conduct economic studies and market research for the value added tax project in Lebanon,” said Fahed.

He had only recently graduated from LAU, in 1999, with a degree in economics. He credits the professional relationships he built there for the opportunity to be part of the large-scale project.

That project “paved the way for me to go into the academic world,” said Fahed. Encouraged by his professors, he chose to study for a doctorate in business administration at San Francisco’s Golden Gate University. “I started teaching the first MBA course when I was 23, when the average age for MBA students at Golden Gate was 38. All my students had work experience.”

Confidently armed with the strong educational background in finance and economics that LAU had given him, Fahed was not intimidated by the age difference. “What is important is to know what you are good at. This is the strength,” he said.

After completing his graduate degree, he planned to work in the United States. However, Lebanese Minister of Finance Jihad Azour, whom he had met previously, asked Fahed to join his

team. As an economist in Minister Azour’s office, he participated in an array of macroeconomic studies.

Today, Fahed uses his time and knowledge to give back to society through teaching. He chose to teach business courses at LAU because it is an institution that helped him succeed. “I had good relationships with my professors. I believe that it is a family after all,” he said. He holds steadfast to the belief that through teaching he is helping society. “Each time I teach my students something and relate it to real life, I help them. I give real-life examples to bridge the gap between academia and real life.”

Concurrently he is the CEO of his family’s business, Fahed Supermarkets, and here he sees the significant drop in food industry prices as one indication of the repercussions of the financial crisis. He forecasts that it will take a long time for the global economy to pick up. With the integration of the world economy, one nation’s downfall creeps into another nation, he said.

Still, Fahed believes that this integration is vital for development. “If you don’t jump on this train you will be left behind,” he said, adding that such development is healthy as it improves our overall standard of living.

Fahed is also a firm believer in education because it benefits society as a whole. “Knowledge is power,” he said, “and the more knowledgeable you are, the more powerful you are.”



Wissam Fahed with his wife, Souha



Alumni News

Vivian Jamil Baitie (A.A.S. '75) became a U.S. resident in 2008 and is now a managing director for Canon and Dell in Ghana, West Africa.



Nevine El Rayes Plant (B.A. '86) lives in Jamaica and trains young inner-city women in early childhood development and care as part of a government program that enables them to work as nannies. She also manages a property and is raising two children.



Bashir Sakka (A.A.S., '90) has been a member of the LAU Graduated Committee since 2007 and works as the quality control manager in Ogero's head office. He is also president of National Sidon School Graduated Committee, a position that he has held for 10 years. He is married to Raifa al Arabi and has three children.

Ziad Shawaf (B.S. '90) established his own company, Linaset Sarl, in 1998. The company specializes in water treatment.

Ziad Masri (A.A.S. '91, B.S. '93) began his career as an interior designer for Gallery Akl Décor Company in Lebanon. He then moved to Saudi Arabia where he worked as a chief designer. He later transferred to Kuwait and became a project manager. He is now a project manager and estimator for Sleep Comfort in Lebanon.



Joseph Jwan (B.S. '94) married in 2002 and now has two children, Maria and Salim. He worked for Siemens in Dubai from 2001 to 2008. Last September, he returned to Lebanon where he works for Ericsson. He is now on assignment in Gabon, Africa.

Ibrahim Haddad (B.S. '96, M.S. '98) earned a Ph.D. from Concordia University, Canada, and was awarded two fellowships for academic excellence. He married in 2004 and has one daughter, Carissa. He has worked for companies such as Motorola, Ericsson, and the Linux Foundation. He is now director of Open Source for Palm, Inc. in the



United States. He has co authored two books and edited four others. He is a contributing editor for *Linux Journal* and *Enterprise Open Source Magazine* as well as a frequent panelist and keynote speaker for major conferences. In 2009, Ibrahim will begin lecturing at the University of California, U.S.

Rami Nawfal Nasrallah (B.S. '97) worked in the head-hunting field as an account director for Management Recruiting International Worldwide after graduation. As of 2005, he has been working with McDonald's in Kuwait as a human resources manager.



Makram Fata (B.S. '99) was recently named director of the European area for Al Wasseet International and moved to the head office for Europe in Warsaw, Poland, to manage the expansion of Al Wasseet in Europe.



Naim El Solh (B.S. '99) works at Rotana Audiovisual Company's head office. Last October, he became engaged and hopes to marry soon.

Ola Mekdashi Mneimneh (B.A. '99, M.A. '01) is presently working as a protocol agent at the presidency of the Council of Ministers in Beirut. She has two sons, Habib and Malek.



Tarek Solh (B.S. '99, M.B.A. '01) has been living in Abu Dhabi for eight years and works for Du Telecom Solution as a sales manager. He married on May 22, 2008.



Hassan M. Dabboul (B.S. '00, M.B.A. '08) serves his alma mater as treasurer of the LAU Alumni Chapter in Damascus. He is married and has two children, Mohammad and Luna.



Nadim Khouri (B.A. '00) married Nathalie Sader on Dec. 26, 2008.

Hassan Labban (B.S. '00, M.B.A '04) works for Aramex in Dubai and has been married for five years.

Fares Milad Massoud (B. Pharm. '00, Pharm.D. '01) received a Diploma of Higher Specialized Studies in management from HEC in Montreal, Canada. He is now assistant product manager for Pfizer Global Pharmaceuticals in the Levant area. On Aug. 28, 2008, he married Dr. Peggy Nehme. He hopes to complete his M.B.A. at Holy Spirit University of Kaslik in July of this year.



Rabih Haddad (B.S. '00) married Suemiya Nsair on Dec. 13, 2008, in Canada.

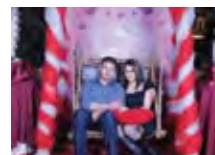
Yahya Nasser Saad (B.S. '00) has worked with Dar al Handasah since May 2002 as a solutions developer. In addition, he has earned several advanced certificates from Microsoft.

Annabella Kyriakos Matta (B.Arch. '01) lives in Lebanon with her two children, Alex and Christabel. She is married to **Mario Matta (B.S. '99, M.B.A '00)**, who works in Dubai.



Mahmoud Moshawrab (B.S. '01) has worked as a business manager for the Emirates Post in Dubai since 2001.

Mohamad Marouf (B.S. '01) works for an IT company as an accountant. He and his wife, Hadeel, have two daughters, Maya and Tia.





Nabil Hamade (B.S. '01) earned his M.S. in financial services management at the University of Surrey, U.K., in 2003. He now works in Kuwait for KDDC as an operation manager in the retail division. He became engaged on January 1 of this year.

Nourhan Nouri Beyrouti (B.S. '01, M.B.A. '04) first worked at Leo Burnett's Black Pencil as a creative conceptualizer. He worked two years for TriForce, a communications consultancy group. Afterwards, he moved to Saudi Arabia where he worked independently developing contracts with major companies. He is now the head of corporate communications at OCTAL Petrochemicals FZC. He married **Dania M. Mneimneh (B.S. '05, M.B.A. '04)**

Imad Abou Said (B.S. '01) works for the National Bank of Kuwait as a relationship officer.

Hiba Ali Hassan (B.S. '02, M.B.A. '04) joined the Arab Finance House (Islamic Bank) in 2005. In spring of 2008, she began working as a part-time instructor of microeconomics at LAU. In addition, she has earned certifications in Islamic Finance, Financial Risk Management and CORE.



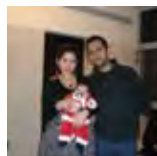
Darina Tawil (B.S. '02) married **Adnan Rustom (B.S. '00)**. The couple has one son, Ahmad, 3½, and will soon have a daughter, Yasmina, as well.

Nadia Moussa Khalifeh (B.S. '02, M.B.A. '04) is the head of credit risk management at First National Bank SAL and is the mother of two daughters, Nye and Lynn.



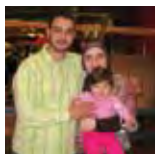
Sandrine Helou (B.S. '02, M.B.A. '05) opened an office in Jounieh after graduating. In 2007, she married **Joseph El Khoury (B.S. '03)** and the couple moved to Qatar. She works as a project manager for her husband's company, JJC Art & Decoration.

Hadi Otrok (M.S. '03) received his Ph.D. in electrical and computer engineering from Concordia University in Montreal, Canada. He has published more than 20 papers at international conferences and in journals. Currently, he works at the University of Quebec, Canada.



Mary Kouyoumjian Sarkissian (B.S. '03) returned to Kuwait after graduation and she worked for Industrial Metal Center, her father's company. In 2006, she married **Loutfic Sarkissian (B.E. '04)**. In November 2008, the couple welcomed their daughter, Sossy. They now live in Lebanon.

Rima Bobo (B.S. '03, M.B.A. '07) is married and has a daughter, Aya. The family lives in Abu Dhabi, UAE.



Bassam Haraty (Pharm.D. '03) is married to **Dr. Dina Issa (B. Pharm. '02)**, and the couple have a son, Zayan.

Yuri Tamer (A.A.S. '03) won second prize in the Beirut Human Rights Film Festival 2008 for his film "Most Beautiful Stories" (Ajmal Zakaya). The film was part of a project for his Advanced TV Production course.

Oussama Said (B.E. '03) lives in Abu Dhabi, UAE, with his wife, Mira. He works for Thinet as a construction manager.

Andre Abi Chedid (M.B.A. '04) started a company that establishes restaurants. He opened the first one, a pub/restaurant named "Sidewalk," near the main gate of the LAU campus in Byblos.

Ahmad El Halabi (B.S. '04) worked for Ernst & Young in Oman for two years as a human capital consultant. He is now a senior consultant at Hay Group Management Consulting in Kuwait. He married on November 10, 2007.

Claire Amer (B.A. '04) works for Kaissar Amer, her family's company. The company sells toys and costumes, does firework shows, and organizes events such as weddings.

Hussein Majzoub (B.S. '04) joined Al Habtoor Engineering Company in Dubai, UAE, in 2005. Two months later, he married and now has a son. Another baby is on the way.

Tarek Younis (B.S. '04) is partial owner of Advanced Car Sarl, a new branch of the Nissan Motor Company. He is engaged to Faten S. Said, a soon-to-be LAU graduate.

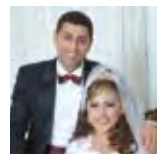
Omar Jarouche (B.S. '04) has been working in Sao Paulo, Brazil, since 2004. He works as an administrative and financial manager for Micasa Estar de Luxo, a design and furniture company. He is engaged and will be married in July of this year.



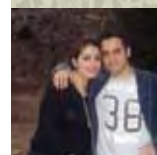
Rita Daher (B.S. '04, M.A. '06) works for Bank Audi's Research Department as an economic and sectoral research analyst. She is engaged to Massoud El-Khoury.

Fady Hammoud (M.B.A. '04) After graduation and military service, Fady joined Azadea Group in Lebanon. He later relocated to Qatar. He now works for Azadea Group in UAE as a department manager in the operations field. He is engaged to Farah El Moussawi.

Marwan Abu Teen (B.S. '04) has been working as a private contractor in Doha for Fast Track Steel Structure since 2005. He manages subcontractors for several companies at New Doha International Airport.

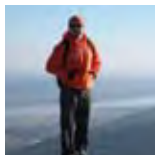


Amani Khudr El Hage (B.A. '05) works as an economist for Oman's National Investment Funds Company and is a member of the Oman Chapter of the LAU Alumni Group. She married Fouad El Shahall in June 2008.





Bilal Shebaro (M.S. '05) is in the United States pursuing his doctorate in computer science from the University of New Mexico.



Hamdan Hamdan (M.S. '05) is a Ph.D candidate in neurophysiology. He plans to graduate in 2010.



Karim C. Boustany (B.E. '05) obtained his master's degree from Purdue University, U.S., while simultaneously serving as a graduate teacher. He is now working on his Ph.D. and as a performance improvement consultant for various hospitals and healthcare facilities across the United States. He has been involved in the Institute of Industrial Engineers and the Human Factors and Ergonomics Society, for which he has presented published papers.

Mazen Abdallah (B.E. '05, M.B.A. '08) works for Oracle. He returned to LAU to make a presentation to the IT department on disaster recovery. On Dec. 25, 2008, he married Ward Alouie.



Joelle Chehade (B.S. '05) has worked in the field of graphic design since 2005. She is engaged and publishes a magazine about technology with a friend.

Mohamad Daher (B.S. '05) worked as an administrator at a computer company in Lebanon following graduation. He is now a regional brand manager for a cosmetics company in the UAE.

Mohammad Saie (B.S. '05) works as a service department manager for a chocolate company in Abu Dhabi, UAE.



Abdallah Mosbah Koraytem (B.S. '05, M.B.A. '08) worked at BLOM BANK SAL from September 2005 until January 2009, when he moved to Riyadh, Saudi Arabia. He now works as a premium account officer for American Express (Saudi Arabia) Ltd.

Majed Khalaf (B.S. '05) has recently joined Computer Network Systems as an industry development manager for the aviation sector in Abu Dhabi, UAE.



Bassel Wehbi (B.S. '06) is engaged and now working for Alghanim Industries in Kuwait as a product analyst in the IT section.

Lara Saliba (B.S. '06) lives in Halat, Lebanon, and works for Middle East Airlines as a flight attendant.

Suzanna Shash (B.A. '06) is pursuing her M.B.A at John Molson School of Business, Concordia University, Canada. Following graduation, she hopes to start her own design/media company.



Abdelrahman Jihad (B.S. '06) lives in Abu Dhabi, UAE. Since graduation, he has worked as a network engineer for a consolidated contractors company. As of March, he works for Injazat, an IT company.

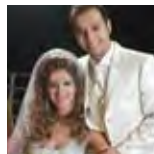


Haytham Afif Ghaddaf (B.S. '06) worked for P&G Saudi Arabia as a sales manager from 2006 to 2008. From 2008 to 2009, he worked as a compliance officer for BLOMINVEST BANK. He now works for BLOM BANK SAL as a group internal auditor.

Karim Emile Nahas (B.E. '06), at the end of 2007, launched RKN Consultants Company, along with eight other engineers, two of whom are LAU graduates.



Aida Younis El Chaar (B.S. '06, M.B.A. '08) resides in Riyadh, Saudi Arabia, with her husband, Reda El Chaar.



Bayat Abdulghani Al-Bayat (B.S. '07) married after graduation and worked one year for ORIX, a finance corporation. He now works for the Rotana Group in Riyadh, Saudi Arabia.

Hanane Khaldoun Fathallah (B.S. '07) married in December 2008 and now lives in Jeddah, Saudi Arabia, with her husband. She is looking for employment.



Mohamed Abboud (B.S. '07) was crowned Mr. Middle East 2007. He has been working in Dubai for a year and a half as a regional system service representative at IBM MENA (Middle East and North Africa) headquarters.

Mazen Kamar (B.S. '07) has been working for his father's company, Baby Dos, a wholesale company dealing in baby clothes and toys that are made in the company's factory in China.

Dayana Khoeis (B.S. '08) works with the global corporate sales team at the head office of Qatar Airways in Doha, Qatar.

Manal Naboulsi (B.S. '08) moved to Dubai after graduation and works in advertising.

Maya Ammous (B.S. '08) lives in Dubai and works for Rotana Media.

Ramzi Farchoukh (B.E. '08) works as a software verification engineer for Nokia Siemens Network.



Chirine Jrab (B.S. '08) lives in California, U.S., where she is working on a master's degree in leadership and organizational studies. She is married and hopes to graduate next year.

Ali Faisal Issa (B.S. '08) works in Khobar, Saudi Arabia, as a representative for CZFP, an Aramco contractor.

Joanna Daaboul (B.E. '08) is pursuing her graduate studies in industrial engineering at L'Ecole Centrale Nantes, France. She is part of the virtual industrial engineering team, and also works on a European project named DOROTHY, which deals with the customization of shoes.

Alumni Events

Cadence Ensemble Concert



More than 300 alumni and friends attended the Cadence Ensemble Concert in December, held at the Irwin Theater on the Beirut campus. The event was a collaboration among the School of Arts and Sciences, the Department of Arts and Communication, the Alumni Relations Office and the Hamazkayin Armenian Educational and Cultural Society.

Marketing for Non-marketers Lecture



Also in December, the Alumni Relations Office organized a lecture entitled "Marketing for Non-marketers," which was held on the Beirut campus. More than 100 people attended the lecture, given by LAU instructor Hassan Naja, who has a unique combination of knowledge and experience in marketing. He addressed the fundamental concepts of marketing and their practical applications. Branding and its value to companies and individuals was emphasized, with the lead-in question: What brand are you? The event was followed by a reception.

School of Engineering and Architecture Alumni Chapter Dinner



The LAU School of Engineering and Architecture Alumni Chapter held its end-of-year dinner at Le Cap Restaurant in Amchit, near Byblos, on Dec. 27, 2008.

Hiba Al Kawas Concert



Renowned composer and singer Hiba Al Kawas performed a musical concert in January, at the invitation of the Beirut Alumni Chapter. Readings by poet Nada El Hajj accompanied her performance, adding charm to the atmosphere. Fans, LAU alumni, and prominent public, political and media figures filled both levels of the auditorium in Irwin Hall on the Beirut campus.

Oman Alumni Chapter Ball



In February, more than 300 alumni and friends joined the festivities at the Oman Alumni Chapter Second Annual Ball. The event was held at the Afrah Ballroom in the Grand Hyatt Hotel in Muscat. Entertainment was provided by the distinguished singers Walid and Karen Massih.





Damascus Chapter's First Backgammon Championship

The Damascus Alumni Chapter organized its First Backgammon and Cards Championship in February 2009 at the Champions Café, Damascus. More than 60 people attended the event.



Aleppo Chapter Reactivated

In March, 12 alumni reactivated the Aleppo Alumni Chapter by attending a reception at the Mirage Palace Hotel and volunteering their services as officers for the chapter. We would like to welcome back the Aleppo Chapter.



Los Angeles Chapter Dinner

The Los Angeles Chapter held a small dinner gathering on Sunday Jan. 4. In attendance were members of the Los Angeles Alumni Board and President Joseph Jabbra with his wife, Dr. Nancy Jabbra.

Dinner Gathering in Dallas

Alumni gathered for a dinner in Dallas Texas on Feb. 21 to explore the development of a Dallas Alumni Chapter.



Bob Stoddard Presentation in New York

In a joint effort, the LAU New York Office and the New York and New Jersey Alumni Chapter organized a lecture by ex-LAU vice president Robert Stoddard. Stoddard gave a presentation on Sarah Smith and her missionary work in Lebanon in the 1800s that led to the establishment of LAU. The lecture was held on Wed., March 11 at Fifth Ave. Presbyterian Church in NYC. A reception followed.

Detroit

The Detroit chapter gathered with Alumni Relations directors Abdallah Alkhal and Ed Shiner at the Arab American Museum in Dearborn, Michigan on Sunday, March 8. Members discussed their future plans and development of the chapter with Alkhal and Shiner.



Boston

On Monday, March 9, the Boston chapter met for dinner at Vlora Restaurant in Boston. Both Alumni Relations directors were in attendance. Plans for the future of the chapter were among the topics discussed.



UPCOMING EVENTS—Mark Your Calendar!

Arts

- > **May 7 - 8** | Annual Science and Arts Fair, Byblos
- > **May 14 - 17, May 21 - 24** | Spring major production in Beirut: *The House of Bernarda Alba* by Federico Garcia Lorca (translated by Rashid Al Daif and Lina Abyad), adapted and directed by Lina Abyad, performed in colloquial Arabic. Irwin Theatre.
- > **July 23 - 30** | International University Theatre Festival, Beirut

General

- > **May 9 - 10** | Spring Fiesta, Beirut (two-day carnival featuring games, music and entertainment)
- > **Last Week of May** | International Student Dinner, Beirut
- > **June 12** | Annual Athletics Awards Ceremony, Beirut campus
- > **June 22 - July 31** | SINARC summer program
- > **June 30** | Annual Athletics Awards Ceremony, Byblos campus
- > **First week of July** | CEP children's summer camp

For more information on these events, please visit:
www.lau.edu.lb

Alumni Reunions

LAU Alumni Reunions and Homecoming Weekend 2009

- > **July 9** | Byblos Reunion
- > **July 10** | Beirut Reunion
- > **July 11** | Annual President's Forum Brunch

All Class Homecoming Gala Dinner

- > **July 12** | (all day trip)

Program will follow.

For more information, please contact/visit:

Alumni Relations Office, Beirut
Tel: +961 1 786 456, Ext: 1136 & 1341
E-mail: alumni@lau.edu.lb
web: lau.edu.lb/alumni

Graduation

- > **July 16** | Byblos
- > **July 18** | Beirut



Campaign for Excellence

- > **May 14** | UAE Regional Launch of the Campaign for Excellence, Abu Dhabi

For more information, please contact/visit:

Beirut Development Office, Beirut
Tel: +961 1 786 456, Ext: 1323
E-mail: development@lau.edu.lb
web: campaign.lau.edu.lb





Why I Give Back Hiba Yazbeck, '97

DEGREE

B.S. Business-Accounting

CAMPUS

Byblos

WHERE SHE LIVES NOW

Livonia, Michigan, U.S.

OCCUPATION

Manager, Financial Reporting and Consolidation, TRW, Inc.

WHAT HAS SHE GIVEN TO LAU?

Time and effort to promote LAU's name through alumni events; money to educate students in need and encouragement to students considering matriculation at LAU.

HOW SHE'D LIKE HER DONATION USED

Educating students in need, attracting the best professors to the LAU faculty and partnering with other institutions to provide internships and world-class training for LAU students. Hiba quotes the biographer of the Greek philosophers, Diogenes Laertius: "The foundation of every state is the education of its youth."

WHY GIVE BACK TO LAU?

"My experience at LAU was remarkable. The experience helped and continues to help me prosper in my career life. I would like to offer others the same opportunities to meet challenges, to learn and to grow that LAU gave me. I obtained an unrivaled education and an intellectual experience that included dynamic communication, skepticism and analytical reasoning ability. LAU prepared me and my classmates to grow as thinkers and as human beings.

"Giving back to LAU is the least I can do. I give back in gratitude for the quality people I met at LAU and for the relationships I formed. By giving back, I hope to make sure prospective students receive the same encouraging experiences and knowledge I received."

"LAU taught me about business, but, more importantly, it taught me how to think and how to respect, accept and challenge others."



Hiba Yazbeck,
Commencement '97





SAID KHALAF IS THE LEGACY AND THE PROMISE. ✧

Said Khalaf from Metn, Lebanon is a committed supporter of LAU. He strongly believes in our mission and our promise for the future.

With your help, the LAU Campaign for Excellence will build on the university's long tradition of success and help to provide new generations of students with the promise of an excellent education.

For more information, please contact:

Beirut Development Office

Tel (961) 1 786456 Ext: 1323

Fax (961) 1 803658

P.O.Box 13-5053

Chouran Beirut 1102 2801, Lebanon

E-mail: development@lau.edu.lb

New York Office

Tel (212) 870 2592

Fax (212) 870 2762

475 Riverside Drive, Suite 1846

New York, NY 10115-0065 - USA

E-mail: nydevelopment@lau.edu



Future site of the Gilbert and Rose-Marie Chagoury School of Medicine, Frem Civic Center, and library, Byblos campus



Construction of the Science One Building and Tohme-Rizk Hall on the Byblos campus, early '90's



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