

For Immediate Release



## **AUB-Coca-Cola seminar: Companies should create jobs, not just profit**

Beirut, Lebanon- 22/02/2011 - Companies can no longer merely create wealth for shareholders, but should also create jobs, while abiding by international human rights and environmental standards and contributing to public discourse, said a Harvard professor and expert on corporate social responsibility, during an AUB seminar.

"We have to move from shareholder value maximization to creating share value," said Jane Nelson, the director of the Corporate Social Responsibility Initiative at the Harvard Kennedy School and co-author of the Harvard Kennedy School Study.

Nelson, who was part of a three-member panel at the third OSB-Coca-Cola marketing seminar, said that companies nowadays should focus on a three-pronged approach that includes: managing their business opportunities and investments in a sound manner, while abiding by international human rights, environmental and labor standards; innovating and transferring technology by training youth and creating an economic middle class; and playing a political role by helping build public institutions and contributing to public discourse.

Organized by the AUB Suliman S. Olayan School of Business and The Coca-Cola Company, the seminar was held under the auspices of the OSB Coca-Cola Chair in Marketing at OSB's Habib Maamari Auditorium on February 21, 2011. Entitled "Business Partnerships for Development: The Case of the National Beverage Company (NBC) in the West Bank and Gaza," the seminar followed the publication of a detailed study by the Harvard Kennedy School which highlights the direct and indirect contribution of Coca-Cola and NBC to West Bank and Gaza communities since 1998.

Nelson added that a new discourse is needed between government, businesses and civic society, and that AUB has always played a critical role in developing leaders and catalyzing partnerships and public discourse in the region.

Nelson and her co-panelists zeroed in on NBC as a prototype and successful model of a CSR-compliant business partnering with a multinational company—Coca-Cola—government and civil society to create jobs for Palestinians under occupation while contributing to public discourse.

NBC Chairman Zahi Khouri said that by partnering with Coca-Cola, his company not only helped employ directly and indirectly more than 3300 Palestinians, but it also helped raise awareness about Palestine in the United States. "The partnership between ourselves and Coca-Cola has allowed us to support thousands of Palestinian families through our local sourcing networks and distribution systems. As a result, for every job created within the Coca-Cola system in West Bank and Gaza, a multiplier effect takes place and allows 10 more jobs to be created in the Palestinian economy, through hundreds of local suppliers and in turn, and thousands of retail outlets," he added.

Moderated by OSB Professor Dima Jamali, convener of the Management, Marketing, and Entrepreneurship Track at the Olayan School of Business, representing OSB Dean George Najjar, the panel was attended by key stakeholders and business organizations, as well as faculty and students.

Jamali opened the panel by stressing on the importance of corporate support to academic institutions which is manifested at AUB through the Coca-Cola Chair of Marketing. She also spoke about the role of the corporate world in the development of the communities in which they operate and do business.

General-manager of Coca-Cola-Middle East Imad BenMoussa commended the OSB-Coca-Cola partnership, in his introductory remarks, underlining Coca-Cola's continued "commitment to investing in education."

Nada Al-Nashef, the regional director of the International Labor Organization, said that the United Nations believes that businesses should reconcile their quest for profit with a respect for human rights. "The public should engage with the private sector while staying vigilant," she said. "No one should miss out on a business opportunity as long as they can ensure that people's rights are safeguarded."

In alignment with The Coca-Cola Company worldwide initiative to support global education and to promote the study of the field of Marketing through research and service, a Coca-Cola Chair in Marketing was established at the Suliman S. Olayan School of Business 5 years ago following a contribution from The Coca-Cola Foundation. Through this ongoing partnership, Coca-Cola and AUB are again demonstrating their commitment to quality education in the region and long-term dedication to the development of future business talents in the Arab World.

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**Note to Editors**

### **About AUB**

Founded in 1866, the American University of Beirut bases its educational philosophy, standards, and practices on the American liberal arts model of higher education. A teaching-centered research university, AUB has more than 600 full-time faculty members and a student body of more than 7,000 students. AUB currently offers more than 100 programs leading to the bachelor's, master's, MD, and PhD degrees. It provides medical education and training to students from throughout the region at its Medical Center that includes a full service 420-bed hospital.

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