

Doing Business In: Israel-StartUp Nation 33:620:479

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Three (3) Credits
Winter, 2024 (Dec 2023-Jan 2024)

Office: 100 Rock – Room 2154

Office Hours: By appointment

Class Site: <https://Canvas.rutgers.edu>

Class: Friday 12/22-Monday 1/1 asynchronous (content in Canvas) Jan 2nd class day-Jan 2-Jan 14th travel to Israel Return AM of Jan 15th . While this experience will rely heavily on “the country as classroom”) we will have some formal times during the trip set aside for class discussions, etc.

The NY Times stated that "Study abroad is the new must-have credential." Being able to speak with potential employers or your own employer about your international experience sets you apart from others and gives you a competitive advantage. In today's global environment, companies are looking for people who have had exposure to other countries, other cultures. Globally fluent graduates are essential to competitiveness. In the future, those who have not had international exposure will be at a disadvantage.

Course Description

The objective of this course is to provide a comprehensive and hands-on understanding of “Doing Business in Israel. It complements your learning in different courses and concentrations that are offered at the RBS. A particular area of focus is the Israeli Entrepreneurship Ecosystem, which, according to a CNBC story in April 2016 “Israel has more tech startups and [venture-capital](http://www.cnbc.com/2016/04/05/israel-may-give-silicon-valley-a-run-for-its-money-commentary.html) funding per head of population than anywhere — even the United States.” <http://www.cnbc.com/2016/04/05/israel-may-give-silicon-valley-a-run-for-its-money-commentary.html>

By the end of the course, you will develop a deep understanding of:

- Social, economic, cultural and political environment in Israel, and how the same affect local and foreign firms
- A discussion of innovation ecosystems (there's more than one), research and development and the intellectual property regime
- Market dynamics, competitive landscape and consumer behavior in Israel.
- Israeli financial markets, banking system, as well as the monetary policy, fiscal policy and exchange rate regime in Israel.
- The transportation and logistics infrastructure
- The labor market and human resource management issues.
- The interaction between business, society, IGOs, NGOs and the government; this includes a discussion of characteristics of Foreign Direct Investment

This unique course features a study trip to Israel from January 2 to 15 where students will interact with business people, entrepreneurs and government officials. This course is open to undergraduate students first, and if space permits, a limited number of MBA students, for anyone interested in doing business in Israel, or knowing more about one of the most important developing economies today, and for aspiring/current entrepreneurs, this course is a must.

Destination: Israel

Israel has a complicated and remarkable history punctuated with extraordinary events that are demonstrations of the gamut of human experience. And yet the modern “Startup Nation” is one of the largest and fastest growing economies in the world. It has been described as a modern economic miracle, and its physical infrastructure, established financial and tourism sectors and emerging technology sector are all evidence of its bright economic future and to the large number of business opportunities. However, numerous social issues stemming from years of turbulence in the Middle East, with range of peaceful to hostile relations with its neighbors, along with its struggles to resolve the decades-long issue of an independent state for the Palestinians and other present important challenges that could undermine Israel’s continued emergence as an important world player in innovation in a variety of fields; however, less well known is its outreach to create a successful partnership with its Palestinian neighbors to foster entrepreneurship via an *Hybrid*, the Israeli/Arab Incubator in Nazareth, it’s robust social innovation sector fostered by Israeli government, USAID, and private sector investments. These efforts provide increased entrepreneurial and economic opportunities for women, at-risk youth, the intensely religious Jewish populations that don’t typically enroll in colleges, and virtually any other disadvantaged population. Collectively a course of this nature offers an intensely challenging and enriching experience that’s about much more than just “business basics”; it’s about how to confront the challenges faced by a growing economy with real political and social challenges, and how innovation and entrepreneurship, fostered at both the government and grass roots levels, seek to solve those problems. This is why such a course is a “must” for entrepreneurs who want to expand their personal and professional entrepreneurial knowledge and skill set.

COURSE OBJECTIVES

The course is designed around three main activities:

- First, through our in-class sessions, we will develop an understanding of what is going on in Israel and the nature of doing business there. In order to accomplish this, we will read reports, books, articles, and case studies. We will learn from regional experts and begin to analyze the economic patterns and outlook for Israel and the region.
- Second, on the in-country portion of the course, we will conduct onsite visits to Israel and multinational businesses, innovation centers, incubators, accelerators, venture investors entrepreneurs, and government agencies have learning sessions in which we learn about key social, economic, and political factors affecting modern Israel businesses, the labor market and HR issues, and Israel consumer behaviors. We will also schedule discussions with graduate students at universities we will visit; our plans include time working collaboratively with entrepreneurs in residence in a University-based incubator, and a one day “startup boot camp- “Israeli style.”
- Third, we will get exposure to the culture and economy of Israel, with guided tours of Jerusalem, including Yad Vashem, The Western Wall/Old City and Machne Yehuda open air market in Jerusalem, Sonora Market and the Port in Tel Aviv, a kibbutz in the Negev Desert, Hybrid Incubator for Palestinians in Nazareth, and various other sites of economic, cultural and historical significance. We will participate in a traditional Shabbat dinner on Friday night- a time when technology is set aside and there’s time for self-reflection and to “just chill and connect-with self and others.” You will also have some free time to do your own exploring.

Course Materials

Students are responsible for completing the following required readings and are provided additional information resources for research.

Required Readings

1. **Startup Nation** by Dan Senor and Saul Singer. Council on Foreign Relations, 2009
2. *Pathways to Israel’s Prosperity: Improving Productivity and Accelerating Growth*. McKinsey Report, Jan 2023 (available in Canvas)
- 3.
4. **Israel’s High Tech Sector is Thriving-China wants in on the Action**
<http://www.cnn.com/2017/05/15/israels-high-tech-sector-is-thriving-and-now-china-wants-in-on-the-action.html>
5. **Doing Business in Israel 2017 report**. 2017. World Bank Group, Washington, DC.
<http://www.doingbusiness.org/data/exploreeconomies/israel> (city covered is Tel Aviv)
6. *The Israelis-Ordinary People in an Extraordinary Land-2003* **Donna Rosenthal**. Free Press-A Division of Simon & Schuster
7. **GEM Israel Report: Israel: Online Only-Economic Data 2016 and Policy brief**
<http://www.gemconsortium.org/country-profile/73>
8. *From Startup Nation to Grown Up Nation, the Future of the Israeli Innovation Ecosystem* (Abridged); Feb 2017-HBS Case Study

Review These Reports (Available in Canvas)

9. [Israel Report and Economic Outlook](#) 2022 (OECD.)
10. Israel Country Monitor-IHS (Feb 25, 2017, Available in Canvas)
11. **Doing Business in Israel –E&Y, Feb, 2015**

Other Useful (but not required) Readings

1. *Israeli Wines in China* (if you do the briefing on Wine and & Food-get this case study to help you)
2. *Israel, a Hotspot for Blockchain Innovation*-Deloitte-Available in Canvas
3. *Israel Competitiveness Snapshot*-Michael Porter, 2012-Available in Canvas
4. *Travel & Tourism Competitiveness Index*-World Economic Forum-Available in Canvas

Videos to watch-required:

1. <https://www.bloomberg.com/features/2016-hello-world-israel/>
2. <https://www.bloomberg.com/news/videos/2016-04-07/catching-the-next-wave-of-tech-in-israel>

COURSE ASSIGNMENTS & GRADING

Grading and Due Dates

Assignment
Pre-Trip Paper Due 12/31/23
Virtual Student Introductions and Exercise 12/28
Executive Briefing by Group 1/4/24
Group Presentation 1/11/24
Personal Trip Journal 1/12/24
Final Paper 1 /12/24
Class Participation

Description of Selected Assignments

1. **Pre-Trip Paper**-from the provided content, you will write a 5 paper
 - a. identifying 5 things you didn't know about Israel prior to the course and what insights you got from learning these things
 - b. discussing 5 things you want to learn during the trip and why those are important for you to learn
2. **Virtual Student Introductions and Exercise**-There will be an online discussion in Canvas requiring you to post an introduction of yourself as well as, to respond to other student introductions to help you identify your teammates for the Executive Briefing and Group Presentations. Details in Canvas but this will be to help you articulate your background, course of study, interests in taking this course, and reasons why you will be your teammate. For those who have taken a course with Prof. Minkoff, this will be similar (but not identical to) the "Business Chemistry" format used by Deloitte and adapted for his classes

3. **Executive Briefing** group assignment a 5-7 minute presentation long to inform the class about the essential things we need to know about the topic. The topics may include
 - Wine and Food
 - Water and Clean Tech
 - Agriculture/AgriTech
 - Cybersecurity
 - Supply Chain/Logistics
 - Artificial Intelligence/Machine Learning
 - Aviation/Aerospace
 - Energy and Fossil Fuels-is the country “rich or poor” and what do they do about it
 - Travel and Tourism
 - Economic Development Policies
 - Relationships among Middle Eastern/Arabian Gulf nations with its neighbors and the impact on their respective economies and society
 - Jobs and the Economy
 - Innovation and Entrepreneurship-is there a “secret sauce” and what can we learn from it
 - Incubators and Accelerators
 - Social Impact Sector
 - Financial Sector/Capital Formation and /Fintech (this includes Angel Investing. VCs and Sovereign Wealth Funds)
 - Pharmaceutical, Biotech Health Care and Life Sciences
 - Angel and Venture Investing

4. **Trip Journal**

5. **Group presentation & slides**

6. **Final Individual Paper**

A Note about Class Participation

Class participation is the Professor’s assessment of your class participation during our Rutgers-based and Israel-based classes as well as any discussions in Canvas—which may unfold both during the US and Israeli portions of the trip. This also includes observations of appropriate student behavior. Students who are fully engaged in the discussions and activities and who have been good citizens of the course, and exemplary representatives of the course, RBS and Rutgers University will be rewarded with high class participation points. If at any point anyone does not behave in a manner consistent with these expectations, or does anything to jeopardize the group’s experience, you could be subject to a range of academic penalties.

COURSE SCHEDULE

Students will meet for one session in person but conduct online readings/research from 12/22/23-1/1/24. Prior to the trip, we will arrange for a real time meeting for everyone to do a pre-trip review/itinerary review, etc.

PRE-TRIP

Read BEFORE departure (available in Canvas) or via the links provided the required materials listed in the syllabus

Also-watch various assigned videos including Prof. Minkoff's introductory/overview video of the course.

Agenda for Class

- Introduction and Overview of Doing Business in Israel Course (Prof. Minkoff video)
- Introduction to International Business and International Entrepreneurship
- Online Discussion of “Doing Business” Readings
- Putting Israel in Perspective: A discussion of the context of the business environment in the Israeli economy/innovation ecosystem operates
- Group Meetings
- Trip preparation discussion

- Discussion of “Doing Business” Readings the Pre-Trip Paper and other readings
- Entrepreneurship & Economic Development
- Trip preparation discussion #2
- ***Pre-Trip Paper due 12/31/23***

Draft Itinerary

Monday Jan 1-Depart for Israel

Overnight: Flight

Tuesday, Jan 2nd

Overnight: Tel Aviv

- Arrivals into Ben Gurion Airport.
 - Visit Israel Innovation Authority/Airport City and Startup Nation Central-to learn about “Israel: The StartUp Nation”
 - Visit the Tel Aviv Stock Exchange
 - Visit (Google Social Impact) Campus Tel Aviv
 - Visit WeWork Sarona/SOSA
 - Visit F2 The Junction VC
 - Visit Unistream Entrepreneurship Center for Arab/Israeli high school students

Wednesday Jan. 3rd

Overnight: Tel Aviv

- Breakfast at the hotel
- Visit Israel Explort Institute for “lighting round” meeting with startups in technology of all kinds
- Visit ThnkUp Startup Mentoring Hub
- Walking tour of the Old City of Jaffa and the Artists’ Quarter
- Visits with Microsoft/Tikkun Olam Makers Good to learn about AI, and the use of technology innovation in accessible technology for people with disabilities
- Visit **Checkpoint Software** headquarters for a behind-the-scenes visit to the trail blazer in global cyber security

Thursday, Jan. 4th

Overnight: Tel Aviv

EXPLORING THE NEW JERSEY/ISRAEL RELATIONSHIP

- Visit Tel HaShomer/Sheba Medical Innovation Campus/Health Care Simulator. And, learn about their innovations in global health care-and emerging presence on the Sci-Tech City Campus in Jersey City, NJ
- Visit Kornit 3d Digital Textile Printing Facility
- Visit with students/faculty at Shenkar College of Design
- Visit Peres Center for Peace and Innovation-Visit the *ChooseNJ* offices there to learn more about NJ/Israel Economic Cooperation
- Visit Tel Aviv Univeristy/SPARK Innovation Center—learn about health care research and partnership with Rutgers University; Visit Blavatnik Cybersecurity Center/ANU museum
- Visit TEVA Pharmaceutials to learn about Innovation at the World’s largest generic drug company
- **Executive Briefing Due tonight by 11:59 PM**
- Return to hotel. Dinner on own/free time

Friday, Jan. 5th

Overnight: Jerusalem

- Early Breakfast and checkout
- Guided visit through the **Old City of Jerusalem**, exploring the unique weave of various religious and ethnic groups in one square kilometer and their socio-economic co-existence, while walking through the Jewish, Christian and Muslim Quarters, including the Western Wall, the Church of the Holy Sepulchre and an overlook into the Temple Mount – Haram al Sharif.
- Visit First Station Jerusalem
- Lunch on own/free time to prepare for Shabbat
- (Optional) Visit to the Western Wall for Friday night prayers
- Dinner in Hotel

Saturday, Jan. 6th A DAY OF REST-THE SABBATH

Overnight: Jerusalem

- Breakfast at the hotel
- Free time to explore Jerusalem/Israel Museum

- Optional (additional cost) Bus trip/tour to Masada and the Dead Sea
- Lunch and dinner on your own

Sunday, Jan. 7th

Overnight: Tel Aviv

ENTREPRENEURSHIP AND TECHNOLOGY TRANSFER; INNOVATIONS IN LIFE SCIENCES AND CREATING CONTEXT WITH ISRAEL'S MODERN HISTORY

- Breakfast at hotel and checkout
- Visit Rehovot-meet with/tour Better Juice biotech innovators
- Visit FutRX health care accelerator
- Visit the Weizmann Institute of Science Museum/Wiezmman Institute research briefing
- AON Biotech Innovation Lab
- Meet with Ambassador (ret.) Eliyahu Yerushalmi for a discussion of Israel's modern history
- Return to Tel Aviv

Monday, Jan. 8th

Overnight: Tel Aviv

DIVERSITY, SOCIAL INNOVATION AND CONTRAST: BACK TO ISRAEL'S ROOTS AND MODERN DAY CONTRIBUTIONS TO AGROTECH AND CYBERSECURITY

- Drive to Rahat-visit Soda Stream and learn about inclusive innovation and manufacturing in Israel
- Drive to Be'ersheva-visit FinSec Fintech Hub
- Visit with the Druze community, leaders and incubator
- Visit the National CyberDirectorate
- Visit Netafim-experts in sustainable agriculture and inventors of drip irrigation technology
- Return to Tel Aviv

Tuesday, Jan. 9th

ISRAEL'S FOOD INNOVATION HUB, ACCESSIBILITY AND INCLUSIVE SOCIAL IMPACT

Overnight: Kibbutz Lavi

- Breakfast at the hotel and checkout
- Drive to Kiryat Sh'mona and visit Israel's new FoodTech Innovation Hub
- Visit T'Nuva, Israel's largest dairy and learn how it harmonizes food innovation and social impact
- Visit Kfar Tikva (Village of Hope) Winery and inclusive living/working home for adults with Disabilities
- Visit to the Bedouin village of Kaabiyah
- Meet with Prof. Dalia Fadila, Director of Atidna - Training young Arabs to integrate into the Israeli high-tech industry. Dr. Fadila was recently recognized with the Israeli *Presidential Medal of Honor* "for her unique contributions to the State of Israel"

Wednesday, Jan. 10th

CONTINUING THE JOURNEY OF SOCIAL AND ECONOMIC IMPACT THROUGH INCLUSION AND DIVERSITY

Overnight: Jerusalem

- Breakfast at the hotel and checkout
- Visit Travaxy to learn about innovation in accessible travel/tourism and hospitality
- Visit the Yokneam Startup Village
- Visit MATAM, one of Israel's largest innovation parks, and meet with one of the lead partners of Cadence, a global leader in electronic design automation software, which bought the Israeli company Rocketkick for \$40M and in so doing enhanced Cadence's chip development capabilities by 30%. Special visit with both Israeli Arab and Jewish techies
 - Visit Takwin-Arab Incubator
 - Visit Kamatech Inclusive Vocational Training Hub
- Return to Jerusalem
- Dinner on own

Thursday, Jan. 11th

Overnight: Jerusalem

AN ACIENT CITY REBORN AS A HUB OF TECHNOLOGY, INVESTOR CAPITAL AND SOCIAL INNOVATION

- Visit Jerusalem Venture Partners: *The Israeli Ecosystem*, an informal introduction-and OurCrowd funders and Startup Nation Overview
- Meeting with the Deputy Mayor of Jerusalem
Visit Hilma Tech Social Entrepreneurship Hub
- Lunch on your own in Machane Yehudah Market
- Israel Game Hub Incubator
- *Innovation and Robotics*, a special program at the Jerusalem College of Technology, Machon Lev
- **Group Presentation Due by 11:59 PM**

Friday, Jan 12th.

Overnight: Jerusalem

JERUSALEM: A TIME AND PLACE FOR REFLECTION

- Breakfast at the hotel.
- Visit **Yad Vashem**, the Jewish National Memorial to the Holocaust, including the Avenue of the Righteous, the Holocaust History Museum and Children's Memorial.
- Lunch on own
- Rest of the afternoon at leisure.
- Festive Sabbath Dinner at the hotel.

Saturday, Jan. 13th

Overnight: Jerusalem

A JERUSALEM SABBATH

- Breakfast at the hotel.
- *Optional* synagogue services on your own in Jerusalem.
- *Optional* walking tour in west Jerusalem neighborhoods, such as the **German Colony, Rehavia, Nachlaot** and/or along the eclectic **Nevi'im (Prophets) St.**
- *Optional* (*additional cost*) exploration of the Jerusalem Hills. Activities may include:
 - Hiking in the Sataf
 - *Optional visit to the Israel Museum*

Sunday, Jan. 14th

- Breakfast at the hotel and checkout
- **Overnight: Flight**
- Breakfast at the hotel
- **Guest Speaker-TBD**
- B'ezri Social Innovation Hub visit
- Cross River Bank Tech Center or Co-working Space for Haredi Women
- Visit to Israel Foreign Ministry-A Discussion on "Innovation Diplomacy and Innovation in Diplomacy". R. Natanzon, Israel's Head of Innovation and Country Branding

Afternoon free time before departing for Ben Gurion Airport for return to the US.

Monday, Jan. 15th

ARRIVAL IN THE UNITED STATES

POST-TRIP JOURNAL DUE: Monday, June 19th 5 PM

Tuesday June 20th Group De-brief and Presentation Work Session

Thursday, June 22-Group Presentations—Doing Business on Silicon Beach-Entry Strategy and Justification

PERSONAL FINAL REFLECTION PAPER DUE Friday June 23, 5 PM.