

MIT to tutor emerging leaders

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Published: September 17 2007 03:00 | Last updated: September 17 2007 03:00

The Massachusetts Institute of Technology in the US will today announce a \$50m -fellowship programme aimed at creating a new class of business leaders from the developing world.

The programme provides financial support to aspiring entrepreneurs from developing nations to spend two years studying at one of the MIT's graduate schools.

During their time at the Institute, based in Cambridge, Massachusetts, they will create a business plan for an enterprise-based start-up to be based in their home country.

Legatum, an emerging markets investment firm based in Dubai, made the gift, which will also establish the Legatum Center for Development and Entrepreneurship at the university.

The announcement comes as MIT - a university whose research and technology has been central to the development of many big US companies - seeks to increase its commercial visibility in the developing world.

About 150 new MIT-related companies are founded each year, according to the school's technology licensing office. Last year alone, the US government granted 149 patents to the university.

While the vast majority of these new ventures are based in the US, MIT has in recent years spun off several companies in the developing world, such as Cell Bazaar, which provides localised, Ebay-type markets on cell phones in Bangladesh; and blueEnergy, which provides low-cost energy to underdeveloped communities in Central America using locally made micro wind turbines.

This programme aims to produce 30 for-profit companies a year for the next 10 years, according to Alex Pentland, a professor at the MIT Media Lab and the new faculty director of the Center.

"There's a false dichotomy in people's minds that if you want to help people, you have to be non-profit. It's patronising," he said. "What we want is for poor people to get rich. We want to see some kid in Paraguay start a company, scale up, start exporting to Brazil, and make a nice life for herself, her family and her village."

The students are encouraged to return to their home countries after their studies at MIT.

"If a student came to the US [from a developing nation] to get training, then of course they could become an employee of this country, and get some cushy job," said Iqbal Quadir, founder of GrameenPhone, a company that provides universal telecommunications access in Bangladesh, and the executive director of the Center.

"But if they go back to their home countries, they can make millions of dollars. We're incentivising people that way. We're saying the entrepreneurial career is more lucrative."

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