Omri Ben-Shahar

Mideast 'peace dividend' would benefit entire region

Israelis and Palestinians have a great deal in common — a similar language, similar civil culture, a shared geographic region — and peace between them would offer a "peace dividend" that could benefit the entire Middle East, according to an Israeli law and economics professor who joins the Law School faculty this fall.

Professor Omri Ben-Shahar detailed the benefits during a midday program at the Lawyers Club Lounge in February. Co-sponsored by the Jewish Law Student Union and the Middle Eastern Law Students Association, Ben-Shahar's talk dealt with "The Economics of Middle East Conflict and Peace."

Ben-Shahar taught here as a visiting professor from Tel-Aviv University during the 1998-99 academic year. (See accompanying story.)

With its six million people and GDP (Gross Domestic Product) of $95 billion, "Israel is the economic empire of the Middle East," Ben-Shahar said, "and maybe that is where we should start tracing the resentment" that many non-Israelis in the region harbor against Israel.

Israel has "a highly developed economy that has made the transition to high tech industry, whereas neighboring Arab nations are much poorer," according to Ben-Shahar. Peace in the region would benefit everyone, he said. He outlined some of the benefits that peace throughout the region would make possible:

- Construction of a pan-Arab highway that would link countries of the region.
- Construction of a natural gas pipeline from Egypt through Israel to Gaza.
- Construction of an oil pipeline from the Persian Gulf to the Mediterranean Sea that would eliminate the long voyage tankers now make.
- A sharing of Israel's successful desert agriculture with the rest of the region.
- An increase in tourism and the possibility of developing a "Red Sea Riviera."
- An economic boom from a non-exploitative coupling of Israel's high-tech industry with the rest of the region's plentiful labor supply.

A "peace dividend" through which "people realize that making peace makes you better off" would reinforce the motivation of both sides to end generations of hostility, he concluded.

Ben-Shahar joins Law School faculty

Omri Ben-Shahar, whose research focuses on the intersection of law and economics, joins the University of Michigan Law School faculty full-time September 1. He previously taught as a professor of law and economics at Tel-Aviv University; was a research fellow at the Israel Democracy Institute, served as a panel member of Israel's Antitrust Court, and clerked at the Supreme Court of Israel.

Ben-Shahar taught two courses — Contracts, and Law and Economics — as a visiting professor at the Law School during the 1998-99 academic year. He holds a B.A. in economics and LL.B. from Hebrew University, and an LL.M., S.J.D. and Ph.D. in economics from Harvard.

A winner of the Provost Prize and a Lady Davis Fellow at Hebrew University, he also was a Fulbright Fellow and, at Harvard Law School, was an Olin Fellow in Law and Economics and a Senior Fellow.

Ben-Shahar has written for many journals, among them the University of Chicago Law Review, Journal of Law, Economics and Organization, International Review of Law and Economics, and University of Pennsylvania Law Review. He is a frequent presenter at annual meetings of the American Law and Economics Association and presented two papers at the association's most recent annual meeting.

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