

Comments on strikes on GCC energy infrastructure in The National, 7 Apr 2026

Dr. Nasser Saidi's comments on strikes on GCC energy infrastructure appeared in an article in The National titled ["Strikes on Gulf energy sites stoke global and regional stagflation fears"](#) published on 7th April 2026.

The comments are posted below.

Facilities recently attacked include Kuwait's Shuwaikh oil sector complex, which houses the oil ministry and Kuwait Petroleum Corporation headquarters, two power and water desalination plants in the country, a fuel storage facility run by Bahrain's Bapco Energies, and the Borouge plant and Adnoc's Hashan gas plant in the UAE. Many of them have reported significant damage, with assessments still underway.

"Hits to infrastructure will have more permanent effects on prices, the ability to recover energy supply and overall economic recovery; it is more likely to result in stagflation," said Nasser Saidi, president of Nasser Saidi and Associates and former economy minister of Lebanon.

Stagflation refers to an economy facing a combination of slowing growth, rising unemployment and high prices (inflation).

When infrastructure is damaged or destroyed, it leads to reconstruction costs as well as the need to develop alternative lower war risk infrastructure such as new pipelines and transport routes. This in turn implies higher deficits and use of fiscal buffers, Mr Saidi said.

"Destruction of energy and related infrastructure (pipelines,

ports, etc) implies a larger fiscal effect: lower revenue, higher deficit and build-up of debt, since capacity has been impaired or destroyed," he said.

"The longer the strait remains inaccessible, the greater the impact on prices, supply chains, and the regional and global economy, given the critical role of energy in all activities," Mr Saidi said. "This will feed into producer and consumer prices, resulting in macro-effects as economies and governments adjust."

That could mean increased working from home and e-learning, shorter work weeks, reduced travel and a hit to transport and logistics, among other things.

The hit to power and desalination plants could also lead to socio-economic and environmental effects, particularly in Gulf countries such as Bahrain, Qatar and Kuwait, Mr Saidi said.

"This can become existential and depends on the degree of dependence on desalinated water for consumption and production."

Mr Saidi said the economic and financial impact will depend on the reaction and effects on the private sector and how quickly confidence can be re-established.

"The latter will depend on how proactive governments (via fiscal, subsidies, industrial policies) and central banks (through monetary policies) are to counter the negative effects of damage to infrastructure," he said.

For the Gulf states, an important stabilising role can be played by state-owned enterprises and government-related entities, given that they dominate sectors such as power, water and transport, as well as by sovereign wealth funds, according to Mr Saidi. "We need a strategy reset," he added.

Comments on LNG strikes on Qatar & impact on global energy markets in AGBI, Mar 22 2026

Dr. Nasser Saidi's comments appeared in an article in AGBI titled "[How LNG strikes on Qatar could reshape global energy markets](#)" published on 22nd March 2026.

The comments are posted below.

The impact will extend well beyond energy, with knock-on effects likely to be felt across agriculture and industrial production for years.

"The biggest takeaway is the need for greater diversification of energy supplies, to multiple producers versus overdependence on a single source," said Dr Nasser Saidi, founder of economy advisory Nasser Saidi & Associates.

Asian countries in particular will be on the hunt for alternative sources. "The immediate gainers will be other natural gas producers, mainly Russia, at the expense of the Gulf countries," Saidi said.

The supply shock is particularly acute for Asia's largest buyers. China, India and Japan, among the top LNG importers, remain heavily reliant on Gulf energy flows. China has sourced roughly 25 to 30 percent of its LNG imports from Qatar in recent years, Saidi said, while India buys about two-thirds of its supply from Qatar, the UAE and Oman, according to Kpler data. "The countries that will benefit are those that already

have some form of access to Russian energy, for example China and a few other Asian countries,” Saidi added.

Europe faces an especially delicate moment. The region is entering its critical gas storage replenishment season with inventories below 30 percent, the lowest since the 2022 energy crisis, according to Saidi.

While Qatar had been preparing to increase output through its North Field expansion, uncertainty now hangs over those timelines.

“Many countries recently secured their energy supply by signing multi-year agreements with QatarEnergy based on when new production from the North Field Expansion comes online,” Saidi said. “These disruptions could potentially delay Qatari LNG expansion projects.”

Comments on Iraq in the backdrop of the Iran war in The National, 18 Mar 2026

Dr. Nasser Saidi’s comments on Iraq’s polycrisis in the backdrop of the war in Iran appeared in an article in The National titled [“Iraq faces polycrisis as Iran war grinds its oil exports to a halt”](#) published on 18th March 2026.

The comments are posted below.

Iraq produced about 4.35 million barrels per day and exported about 3.4 million bpd before the war, which has come to a near standstill. With the war now in its third week, Baghdad is moving urgently to find alternative ways to ship its oil to

global markets to fuel its economy.

“This is a polycrisis shock for Iraq: economic, fiscal, military/security and political,” Nasser Saidi, president of Nasser Saidi and Associates and former economy minister of Lebanon, said.

Mr Saidi said Iraq is the least prepared of regional oil producers to face the fallout of the war.

“Economically weak and vulnerable, the country faces internal political divisions and ethnic divides, in addition to the security risks from its borders with Iran, Turkey and Syria,” he said. “It has neither modernised its old energy infrastructure nor diversified its economy, trade or finances.”

Even if Baghdad manages to resolve differences with the KRG and strikes a sweet deal with Iran on passage through the Strait of Hormuz, Iraq’s economic woes and its policy independence troubles are far from over, Mr Saidi said.

“Iraq is the only major sovereign nation whose primary revenue stream (from oil) is held in a foreign central bank (the Fed), giving the US substantial power over Iraq’s domestic governance,” Mr Saidi said.

While Iraq’s central bank claims to have about 11 to 12 months of import cover, this liquidity is still in NY Fed-controlled accounts.

The country’s international reserves stood at \$97.5 billion as of November, according to the Central Bank of Iraq.

The country imports about 90 per cent of its consumer goods, food, and medicine and is “financed by the petrodollar held at the Fed”, Mr Saidi said.

“The large informal economy (an estimated 60 per cent of non-oil GDP) will also be vulnerable to the current Hormuz

shutdown," he added.

Comments on Hormuz trade alternatives in AGBI, Mar 17 2026

Aathira Prasad's comments appeared in an article in AGBI titled "[UAE businesses scramble for Hormuz trade alternatives](#)" published on 17th March 2026.

The comments are posted below.

The problem, analysts say, is not just the existence of alternatives, but their limits. Capacity constraints, higher transport costs and longer transit times mean these routes cannot absorb the volumes that normally pass through Hormuz.

"[Multimodal routes] are quite costly and time consuming. And there aren't sufficient, say, trucks that you can use to transport these goods from one place to the other," said Aathira Prasad, director of macroeconomics at Nasser Saidi and Associates.

Roughly 20 million barrels of oil a day transit the waterway. By comparison, an oil tanker truck typically carries about 240 barrels. Replacing 20 million barrels daily by road would require around 83,000 truck journeys every day.

A significant share of trade entering the UAE has been re-exported from here to other markets," Prasad said. "So there are lots of dependencies here which have come to an abrupt

halt.”

Crises of this scale often accelerate structural change. Analysts expect the disruption to sharpen the focus on supply chain resilience and alternative logistics infrastructure across the Gulf. “Projects like Etihad Rail become quite important because suddenly you have connectivity within the Emirates. If you extend it across the GCC, it will become an alternative infrastructure that you don’t have in place currently,” Prasad said.

Regional policymakers may also move to activate long-discussed cross-border logistics systems. Customs corridors across the GCC – previously largely conceptual – could gain momentum. Saudi Arabia last week launched a new Logistics Corridors Initiative aimed at strengthening supply chain resilience and facilitating cargo movement between the kingdom’s ports and those across the GCC.

“You always see a shift immediately after a crisis,” she added.

Comments on US tariff threat on Iran & trade partners in The National, 9 Feb 2026

Dr. Nasser Saidi’s comments on the recent US tariff threat on Iran & its key trade partners appeared in an article in The National titled [“Will the US tariff threat have a major impact on Iran’s key trading partners?”](#) published on 9th February 2026.

The comments are posted below.

“While the US tariff threat introduces uncertainty, Iran’s major diversified export partners (China, UAE, Turkey) are likely more well-positioned to absorb the shock by switching suppliers,” said Nasser Saidi, president of Nasser Saidi and Associates and former economy minister of Lebanon.

“The pain will be felt primarily by Iran (revenue loss, isolation, inflationary impact) and Iraq (energy security crisis),” Mr Saidi, who also served as the vice-governor of the Central Bank of Lebanon, told The National.

“Should additional tariffs be imposed, it would be relatively simple for China to source it from other trade partners, including from the GCC (given current production levels). The primary risk here is geopolitical: any such move could reignite the US-China trade war,” Mr Saidi said.

For countries like the UAE, Iran is a primary supplier of fresh fruits, vegetables, and livestock due to proximity – short shipping times allow for fresh produce, Mr Saidi said.

“However, if the UAE is forced to halt Iranian food imports to avoid US tariffs, it can switch to alternative suppliers (likely Pakistan, India or Europe). While this involves a logistical shift, the availability of alternate suppliers suggests that inflationary pressure on food would be contained.”

If Iran’s top trading partners substantially cut trade to protect their US market access, Tehran will shift to land-based trade and through the Caspian – which is “more difficult for the US to monitor and enforce trade restrictions”, Mr Saidi said.

But it is possible that informal trade will increase with small vessels moving food and consumer goods off the books and crossings by land. “Iran could end up offering even steeper

discounts on its oil and commodities to keep partners hooked on – leading to loss of revenue. Plus, the decline in Iran’s imports would lead to goods shortages, an uptick in inflation, alongside a fall in rial and raising poverty rates,” he added.

Meanwhile, Iraq is heavily dependent on Iran not just for food, but also for electricity and gas.

“If Iraq is forced to cut these ties to avoid US tariffs, the result wouldn’t just be food inflation: it would be energy inflation and potential blackouts, which drives up the cost of everything locally,” Mr Saidi said.

A lot of cross-border Iran-Iraq trade also goes unreported, making it more difficult to monitor, he added.

Comments on UAE’s Sheikh Mohammed bin Zayed’s visit to India in 24.ae, 19 Jan 2026

Dr. Nasser Saidi’s comments on the UAE’s President Sheikh Mohammed bin Zayed’s visit to India appeared in a 24.ae article published on 19th January 2026.

[اقتصاديون: زيارة الشيخ محمد بن زايد إلى الهند تعزز](#)

التعاون التجاري والاستثماري

The comments are posted below in English.

In this context, Dr. Nasser Al Saidi, Economic and Financial Advisor, former Chief Economist and Strategic Officer at the Dubai International Financial Centre, said that the visit confirms that India is a key economic partner for the UAE, supported by the Comprehensive Economic Partnership Agreement, pointing out that the UAE has become India's third largest trading partner and the second largest destination for its exports during 2024-2025, and India is a partner in the BRICS Group.

"The Indian community makes up about a third of the UAE's population, making remittances a key channel for foreign currency inflows and investments to Indian financial markets, with nearly 20% of India's total remittances coming from the UAE in 2024, becoming the second largest exporter globally after the United States," he added.

He explained that the partnership includes investments in education, health care, information technology, clean energy and infrastructure, pointing out that by the end of June 2025, the number of Indian companies operating in the UAE reached 264,687, reflecting the ease of doing business and enhancing economic cooperation regionally and internationally.

:and in Arabic

وفي هذا السياق، قال الدكتور ناصر السعيد، مستشار اقتصادي ومالي، كبير الاقتصاديين والاستراتيجيين السابق في مركز دبي المالي العالمي، إن الزيارة تؤكد أن الهند شريك اقتصادي أساسي للإمارات، مدعوماً باتفاقية الشراكة الاقتصادية الشاملة، مشيراً إلى أن

الإمارات أصبحت ثالث أكبر شريك تجاري للهند وثاني أكبر وجهة لصادراتها خلال عامي 2024-2025، كما تُعد الهند شريكاً في مجموعة «البريكس».

وأضاف "أن الجالية الهندية تشكل نحو ثلث سكان الإمارات، ما يجعل التحويلات المالية قناة رئيسية لتدفقات العملات الأجنبية والاستثمارات إلى الأسواق المالية الهندية، حيث يأتي ما يقرب من 20% من إجمالي التحويلات المالية الهندية من الإمارات خلال عام 2024، لتصبح ثاني أكبر مصدر عالمياً بعد الولايات المتحدة".

وأوضح أن الشراكة تشمل استثمارات في التعليم والرعاية الصحية وتكنولوجيا المعلومات والطاقة النظيفة والبنية التحتية، لافتاً إلى أنه بحلول نهاية يونيو (حزيران) 2025 بلغ عدد الشركات الهندية العاملة في الإمارات 264,687 شركة، ما يعكس سهولة ممارسة الأعمال ويعزز التعاون الاقتصادي إقليمياً ودولياً.

Comments on the leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister, and Ruler of Dubai marking 20 years as PM in 24.ae, 5 Jan 2026

Dr. Nasser Saidi's comments on the leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister, and Ruler of Dubai marking 20 years as PM appeared in a 24.ae article published on 5th January 2026.

اقتصاديون: قيادة محمد بن راشد تدفع اقتصاد الإمارات إلى مستويات غير مسبوقة

The comments are posted below in English.

Dr. Nasser Saidi, Economic and Financial Advisor and former Chief Economist and Strategist at the Dubai International Financial Centre (DIFC), stated that the UAE economy, under the wise leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum, has entered an unprecedented phase of dynamism and maturity, supported by a clear vision that has led to qualitative growth based on economic diversification.

He explained that nominal GDP jumped more than fivefold, reaching approximately \$569.1 billion in 2025, compared to just over \$100 billion in 2000. Non-oil sectors contributed 75.5% to GDP by the end of 2024, and non-oil exports rose to AED 369.5 billion during the first half of 2025.

Al Saidi added, "This transformation is based on a forward-looking vision for developing non-oil sectors, supported by world-class infrastructure and robust regulatory frameworks, along with policies that have enhanced ease of doing business and the confidence of global investors, as seen in the Dubai International Financial Centre and Abu Dhabi Global Market. This active international presence has contributed to establishing the UAE's identity as a global hub for trade and innovation, in parallel with the adoption of a future-oriented agenda that includes women's empowerment and the creation of specialized ministries for artificial intelligence and climate change, all within a flexible and transparent governance model that has made the country a prime destination for global talent and capital."

:and in Arabic

وفي هذا السياق، قال الدكتور ناصر السعيد، المستشار الاقتصادي والمالي، وكبير الاقتصاديين والاستراتيجيين السابق في مركز دبي المالي العالمي، إن اقتصاد الإمارات دخل، في ظل القيادة الحكيمة للشيخ محمد بن راشد آل مكتوم، مرحلة غير مسبوقه من الحيوية والنضج، مدعوماً برؤية واضحة قادت إلى نمو نوعي قائم على التنويع الاقتصادي.

وأوضح أن الناتج المحلي الإجمالي الاسمي قفز بأكثر من 5 أضعاف، ليبلغ نحو 569.1 مليار دولار في 2025، مقارنة بما يزيد قليلاً على 100 مليار دولار في عام 2000، فيما بلغت مساهمة القطاعات غير النفطية 75.5% من الناتج المحلي الإجمالي بنهاية عام 2024، وارتفعت الصادرات غير النفطية إلى 369.5 مليار درهم خلال النصف الأول من عام 2025.

وأضاف السعيد "يرتكز هذا التحول على رؤية مستقبلية لتطوير القطاعات غير النفطية، مدعومة ببنية تحتية عالمية وأطر تنظيمية متينة، إلى جانب سياسات عززت سهولة ممارسة الأعمال وثقة المستثمرين العالميين، كما في مركز دبي المالي العالمي وسوق أبوظبي العالمي. وأسهم الحضور الدولي الفاعل في ترسيخ هوية الإمارات مركزاً عالمياً للتجارة والابتكار، بالتوازي مع تبني أجندة مستقبلية شملت تمكين المرأة واستحداث وزارات متخصصة في الذكاء الاصطناعي وتغير المناخ، ضمن نموذج حوكمة مرن وشفاف جعل الدولة وجهة رئيسية للمواهب ورؤوس الأموال العالمية".

Comments on Lebanon's draft Banking Law in The National,

25 Dec 2025

Dr. Nasser Saidi's comments on Lebanon's draft Banking Law appeared in an article in The National titled "[Lebanon's draft banking law 'fails to ensure' cash recovery for depositors](#)" published on 25th December 2025.

The comments are posted below.

The other challenge is whether the banking system has sufficient liquidity to make repayments to depositors. "The short answer is 'no'," said Nasser Saidi, a former economy minister and deputy governor of Lebanon's central bank. He said it was impossible to know if banks had sufficient liquidity without a forensic audit of the lenders and the BDL.

Additionally, the draft law promises to create future liabilities without clearly specifying how these will be financed. "There is a great deal of vagueness and opaqueness in the draft law. There is uncertainty: who does what, who assesses the amount of losses, who administers etc, which opens the process to potential litigation and legal uncertainty," Mr Saidi said.

A major issue with the draft law is that it does not add new liquidity into the banking system, but rather focuses on the balance sheets of the commercial banks and the BDL. "This is a flawed static approach. You need both solvency and liquidity and long-term sustainability requiring a dynamic analysis," said Mr Saidi.

New capital and financial resources will need to be injected in the banks to provide credit and finance to stabilise and restore economic growth.

"This is not a zero-sum game," he added. "The risk is that absent resolution of uncertainties, the restructuring process will end up being a failed, negative-sum game – a situation in

which the total losses of all participants exceed the total gains, resulting in a net loss for everyone involved, that will not restore trust to revive a cash-based, informal economy.”

Comments on the launch of the UAE Global Centre of Trade programme in 24.ae, 24 Nov 2025

Dr. Nasser Saidi's comments on the launch of the UAE Global Centre of Trade programme appeared in a 24.ae article published on 24th November 2025.

[اقتصاديون: برنامج "الإمارات
مركز عالمي للتجارة" يعزز
تنافسية الدولة ويفتح أسواقاً
جديدة](#)

The comments are posted below in English.

The launch of the UAE Global Centre of Trade programme is a major strategic initiative coming at a very opportune time, leveraging the UAE's shift to being a globally competitive and open economy. This initiative capitalizes on the UAE's policy

of attracting global capital in high value-added sectors, from trade and logistics to emerging technologies. Crucially, this openness is concurrent with a rapid digitalization drive spanning advanced infrastructure such as 5G and data centres capacity as well as investments in sustainable technology, notably solar and ClimateTech. All these investments will collectively accelerate the UAE's economic diversification agenda in line with the goals of "We the UAE 2031 vision". At a time when the world is defined by increased fragmentation and restrictive labour policies, the UAE positions itself a beacon of light – attracting human capital that could facilitate a cross-sector diffusion of technology and innovation necessary to increase overall long-term productivity growth.

and in Arabic:

وقال الدكتور ناصر السعيدي مستشار اقتصادي ومالي، كبير الاقتصاديين والاستراتيجيين السابق في مركز دبي المالي العالمي: "يُعد إطلاق برنامج مركز الإمارات العالمي للتجارة مبادرة استراتيجية رئيسية تأتي في وقت مناسب للغاية، مستفيدةً من تحول [الإمارات](#) إلى اقتصاد مفتوح وتنافسي عالمياً. وتستفيد هذه المبادرة من سياسة الإمارات في جذب رؤوس الأموال العالمية إلى القطاعات ذات القيمة المضافة العالية، بدءاً من التجارة والخدمات اللوجستية "ووصولاً إلى التقنيات الناشئة".

وأوضح السعيدي عبر 24، أن هذا الانفتاح يتزامن مع توجه رقمي متسارع يشمل البنية التحتية المتقدمة مثل شبكات الجيل الخامس وسعة مراكز البيانات، بالإضافة إلى الاستثمارات في (5G) التكنولوجيا المستدامة، لا سيما الطاقة الشمسية وتكنولوجيا المناخ والتي ستساهم في تسريع أجندة التنوع الاقتصادي في الدولة، بما "يتماشى مع أهداف رؤية "نحن الإمارات 2031".

نموذج يحتذى

وأضاف "في وقت يشهد فيه العالم تزايداً في التشرذم وسياسات العمل

التقييدية، تُمثل الإمارات نموذجاً يُحتذى في جذب رأس المال البشري الذي يُمكن أن يُسهّل نشر التكنولوجيا والابتكار بين القطاعات، وهو أمر ضروري لزيادة نمو الإنتاجية على المدى الطويل.

“MENA + Pakistan region faces \$420–\$510bn climate adaptation funding gap”, Interview with Zawya Projects, 7 Nov 2025

Dr. Nasser Saidi’s interview with Zawya Projects titled “[MENA + Pakistan region faces \\$420–\\$510bn climate adaptation funding gap: CEBC Chief](#)” was published on 7th Nov 2025.

MENA + Pakistan region faces \$420–\$510bln climate adaptation funding gap: CEBC Chief

In an exclusive interview with Zawya Projects, Dr. Nasser H. Saidi, Chairman and Founder of the Clean Energy Business Council (CEBC) MENA, explained why the MENA + Pakistan region must more than quadruple climate adaptation investment across infrastructure, and highlighted the GCC’s potential to become a global hub for renewable energy.

The Middle East, North Africa, and Pakistan (MENA+Pakistan) region must significantly increase investments in climate adaptation, particularly for retrofitting infrastructure, to an estimated \$420 to \$510 billion, the chief of UAE-based Clean Energy Business Council (CEBC) MENA told Zawya Projects.

Dr. Nasser H. Saidi, Chairman and Founder of the ADGM-based non-profit, which represents the clean energy sector pointed out that so far, the MENA+Pakistan region is discussing investments of around \$100 to \$120 billion in climate adaptation, which involves retrofitting current infrastructure, factories, and housing to be future-ready across the region.

“However, my estimate is that you need around four times that figure—to \$420 to \$510 billion—because Mother Earth has a mind of her own,” he said.

“Human actions have created climate challenges, and the earth responds. While we are not in charge of that, we must integrate climate models with our economic and planning models to design effective policies.”

And while numbers are still being assessed, the dynamics of climate change can be severe, he noted.

“We have to be preventive and preemptive when addressing climate risks; it concerns all our lives,” he said.

Dismal scenario

Saidi cited the disastrous floods in Libya in September 2023, where two dams collapsed in Derna after Storm Daniel, releasing 30 million cubic metres of water.

“The floods swept entire buildings, with thousands of people still inside them, into the Mediterranean Sea,” he explained. “This is a classic example of why the region needs to raise its investments in climate adaptation across its

infrastructure and housing.”

“Climate change is a priority as we are very challenged by desertification, Medicanes, water scarcity, rising temperatures, and growing urbanisation and populations. So far, there have been many commitments and bright promises for net zero at the global level, but many of those pledges have not come through, and there has been dismal performance.”

Key challenges include securing enough financial resources from governments and attracting the private sector. Referencing the success of US railroads and post-war infrastructure development in Europe driven by private investment, Saidi emphasised that “whether we talk about energy, AI, data, or the digital economy, the bottom line is that the private sector will need incentives.”

He stressed the need to account for climate risk and pricing, making room for new, radically different technologies from the private sector.

“Much of the technologies that we inherited from industries like electricity, water, and transport have so far been managed by the public sector. It will have to be a combination of both because we have to plan at the national, regional, and global levels,” said Saidi, who is also the Founder and Head of Nasser Saidi & Associates, a consulting firm.

“All future planning should include the private sector, but with the framework and financing coming from the government and international institutions.”

He noted that the CEBC, which focuses on bringing together governments, regulators, and the private sector around climate finance, e-mobility, and energy efficiency, would be open to developing a climate fund, though its core mission remains as a not-for-profit platform to drive clean energy policy and dialogue.

“I would be open to anyone who says, let us develop a climate fund together,” he said.

Carbon pricing imperative

Regarding innovative funding instruments, Saidi suggested a gradual build-up. “In the end, we have to adopt carbon pricing, which means central banks, regulators, and governments have to introduce carbon pricing in everything—be it energy, water, the way companies perform, the balance sheets of banks, and central banks.”

Following the Great Financial Crisis, international banking regulations introduced measures such as the establishment of capital buffers.

It also saw the implementation of Basel III—a set of enhancements developed in response to the 2008 crisis—and subsequently Basel IV (the finalisation of Basel III), which overhauls global banking capital requirements, which is expected to significantly impact the lending landscape, particularly across Europe and the Nordic region.

“We need something equivalent to that in this area,” said Saidi, a former Lebanese Minister of Economy and Industry and former Vice Governor of the Lebanese Central Bank.

“It is only when you start pricing that people respond—not just good wishes,” he said, stressing that carbon pricing must eventually be integrated into the banking and financial system structure.

“Once you do that, you create opportunities for financing. But then again, you have to think long-term. Then the next question is, how do you control risks for infrastructure projects spread over a period of 15-20 years?”

“This is why pricing is so important. I am a strong believer in markets, so we need to create renewable funds and create

markets where you can trade risks, particularly through financial markets,” he added.

The UAE’s Federal Decree on climate change, coming into force this year, mandates monitoring and control of GHG emissions across sectors while encouraging companies to participate in emission trading schemes and carbon credit markets. The country is also introducing carbon compliance regulations for eventual compliance markets.

Following the Great Financial Crisis, the world has also seen the rise of non-banking financial intermediaries, now providing almost 50 percent of the credit. “That creates its own risks. Hence, we have to involve the non-banking private sector, which consists of private credit and private funds, with the organised, regulated banking and finance sector—we have to look at the whole spectrum.”

Global hub for renewable energy

While regional commercial banks do not always have the teams to assess such projects, the MENA region benefits from being awash with sovereign wealth funds and national funds.

“Hence, it would be ideal if they become involved because green and renewable energy is where the GCC, in particular, has a comparative advantage,” he said, arguing that deploying public money makes sound economic sense as part of economic diversification.

“We have accumulated enormous wealth due to high energy prices, and hence, we can deploy that wealth in green, digital, and renewable initiatives, and it can create jobs. So you diversify and develop your economy, and, at the same time, it is critical for the GCC and the region to create jobs. So this is the perfect opportunity for us.”

“This region is already the global hub for oil and gas,” Saidi concluded. “This region also has the potential to be the

global hub for renewable energy. No other country or region has that combination.”

Comments on “The ebb and flow of Saudi Arabia’s US Treasury strategy” in Arab News, 25 Oct 2025

Dr. Nasser Saidi’s comments appeared in an Arab News article titled [“The ebb and flow of Saudi Arabia’s US Treasury strategy”](#) published on 25th October 2025.

The comments are posted below.

Nasser Saidi, founder and president of Nasser Saidi & Associates, a specialized economic and financial advisory services company, echoed this perspective, emphasizing that the decision is “primarily taken by the Saudi Central Bank, keeping in mind its strategic goals of currency stability, directed partly by the need to hold US dollar as part of international reserves to maintain the dollar peg and liquidity and safety.” For Saidi, who served as Lebanon’s minister of economy and trade and minister of industry from 1998 to 2000, US Treasuries are a critical pillar of stability, as “holding treasuries allows Saudi Arabia to meet its international payment obligations – finance imports, service external debt, portfolio, and capital flows – provide a buffer against oil revenue shocks, while also generating a steady, low-risk stream of income.”

Saidi pointed to multiple drivers behind these shifts, noting that the rise until September 2024 reflected the Saudi Central Bank, known as SAMA, capitalizing on higher US interest rates, supported by strong oil revenues from the preceding period.

He added that the drop to a six-year low of \$108 billion in June 2023 followed a significant transfer of funds to the Public Investment Fund, and the subsequent rise reflected Aramco dividend transfers, which “would have some impact on inflows of US dollar into the central bank in 2024.”

Speaking to Arab News, Saidi explained that the decline to \$126.4 billion by February “is likely a combination of factors – expectations that interest rates would stay higher for longer plus a soft landing in the US, portfolio rebalancing away toward higher-yield investments in the backdrop of lower oil production and prices, SAMA withdrawing to meet domestic spending needs / managing liquidity in the banking system,” adding that after a return to stabilization was seen.

For Saidi, the pattern underscores that “SAMA acts as both the traditional central bank, and also actively manages its reserve holdings to accommodate funding needs as per Vision 2030, mainly via the PIF.”

The interplay between SAMA and the PIF is central to understanding the bigger picture. Saidi explained that their mandates are different as SAMA’s role is to provide currency, banking, and financial market stability, dictating conservative policies.

Saidi emphasized that US Treasuries will likely remain the anchor of SAMA’s portfolio due to the dollar peg, but the PIF’s strategy points to greater diversification in the non-reserve segment, with more aggressive investments in private equity, infrastructure, and renewables, as well as artificial intelligence, data centers, technology, and other asset classes.

“Saudi [Arabia] is unlikely to fully abandon the US dollar, despite de-dollarization talks, but expect more diversification and the prospect of a greater role for the Petro-Yuan, given the growing trade and investment links with China, increased holdings in other currencies for trade purposes, and increased holding of gold as a hedge,” Saidi, who has also served as vice governor of the Central Bank of Lebanon for two successive mandates, said.

He added that people should be prepared for the rollout and increased use of a central bank digital currency, a digital riyal, for cross-border transactions as well in the near future.

Comments on Saudi Arabia's new pitch to Wall Street in Bloomberg, 23 Oct 2025

Aathira Prasad's comments on Saudi Arabia's pullback at Neom and what it means ahead of the Future Investment Initiative (FII) in the Bloomberg article titled "[Saudi Arabia's New Pitch to Wall Street: Less Neom, More AI](#)", published on 23 Oct 2025.

Comments are posted below.

Added investments in areas like AI offer further opportunities for partnerships and deals particularly as recent messaging from the top echelons of government indicates a willingness to change course.

The changes are likely to be view positively by investors

“because it says a lot when a government takes a step back and says hey we aren’t going to stop all investments but we are moving money to places with immediate needs and quicker returns,” said Aathira Prasad, director of macroeconomics at economic and business advisor Nasser Saidi & Associates.

Comments on the UAE agreement with Oman re special economic zone in The National, 28 May 2025

Dr. Nasser Saidi’s comments on the agreement between Dubai’s global ports operator DP World and Oman to develop and operate the Al Rawdah Special Economic Zone appeared in an article in The National titled [“Oman’s new economic zone signals Gulf intent in global supply chains amid trade war”](#) published on 28th May 2025.

The comments are posted below.

The UAE’s experience in the development, efficient and profitable management and sound governance of special economic zones and free zones over the past 40 years can provide a valuable framework for Oman’s initiatives, said Nasser Saidi, president of Nasser Saidi and Associates, former Lebanon economy minister and vice-governor of the Central Bank of Lebanon.

The new SEZ will also offer opportunities for well-established

businesses in the UAE to transfer knowledge and skills, best practices in governance, infrastructure development and investor services can be shared. Oman's SEZs can learn from the UAE about smart ports, blockchain in customs clearance and the use of artificial intelligence in logistics, he added.

By developing specialised zones and infrastructure, Oman can enhance connectivity and economic co-operation across the region, integrate itself into regional value chains and position itself as a key player in regional trade and economic networks, Mr Saidi said.

This would complement the UAE's established role in global logistics and trade and enhance the region's resilience against global supply chain disruptions, he added.

Dr. Nasser Saidi's interview "Can Beirut's New Reform Agenda Save the Pound?" on "You're In Business" with Yousef Gamal El-Din, 13 May 2025

Dr. Nasser Saidi's interview with Yousef Gamal El-Din titled "Can Beirut's New Reform Agenda Save the Pound?" was aired on the "You're In Business" show. The episode is published on [YouTube](#), Spotify and [Apple Podcasts](#)

The video is available below:

Comments on the UAE-EU CEPA negotiations in The National, 11 Apr 2025

Dr. Nasser Saidi's comments on the UAE starting negotiations for a CEPA with the EU appeared in an article in The National titled "[UAE-EU trade deal to boost FDI to Emirates amid rising global uncertainties, economists say](#)" published on 11th April 2025.

The comments are posted below.

The announcement of EU-UAE trade talks is "timely", as there is greater global fragmentation and decoupling with China, in general, said Nasser Saidi, a former economy minister in Lebanon and vice governor of its central bank.

"It is in the economic and financial interest of the UAE and the GCC to expand and deepen relations with the EU, given the latter's growing trade and investment confrontation with the US," he said. "As the US imposes tariffs on the EU, the bloc has to diversify and divert to other markets.

"For the UAE, this provides a perfect opportunity to further open up and strengthen its trade and investment linkages with the EU."

The bottom line is that a policy of continued openness and liberalisation by the UAE will be beneficial at a time when other countries are moving towards more trade barriers and increased protectionism, Mr Saidi added.

Top exports from the UAE to the EU include fuels and precious

metals, as well as aluminium and plastics – providing inputs for Europe’s industry and manufacturing, Mr Saidi said.

The top imports from the EU to the UAE are machinery, mechanical appliances and electrical equipment, “both essential to facilitate the UAE’s ambition to emerge as a leading manufacturing and industrial hub”, he said.

Beyond the remit of trade in goods, the CEPA with the UAE will allow EU countries to increase trade in services, including tourism, with collaboration in key areas such as artificial intelligence, renewable energy, climate technology and climate finance, as well as financial services and capital markets, he added.

“Existing EU-Middle East air travel routes could be strengthened further with a fully deregulated open skies policy in a bid to increase both passenger and cargo movements,” he estimated.

At a time of rising economic uncertainty relating to trade, Mr Saidi suggested the UAE and EU could also explore options to sign swap agreements between the European Central Bank and the UAE Central Bank, strengthen payment networks and complete trade transactions in euros and/or using digital currency.

Comments on US trade tariffs and GCC trade ties in Energy Intelligence, Apr 2025

Dr. Nasser Saidi’s comments on the US reciprocal tariffs and the GCC trade ties appeared in an article titled [“Why US](#)

[Tariffs Will Not Change Gulf State Trade Ties](#)" in Energy Intelligence, published on 10th April 2025 (paywall). The comments are posted below.

The impact on Gulf economies is also marginal because trading dynamics have changed drastically over the past three decades. For instance, the US is no longer the main trade partner of Gulf states. Asian countries, namely India, China, Japan and South Korea are the main trade partners, both in imports and exports, and increasingly as investment partners, Nasser Saidi, president of Nasser Saidi & Associates, a Dubai-based economic advisory and business consultancy, told Energy Intelligence.

While markets globally are likely to remain volatile as a result of the uncertainty on tariffs negotiations and investors and companies may adopt more of a wait and see approach, the effects are likely to be a temporary. "The fundamentals in the region are strong, and its diversified linkages, especially with Asia, will benefit the countries," Saidi said. This is in addition to the large labor flows that create both remittance and investment links with the labor-exporting countries.

While markets globally are likely to remain volatile as a result of the uncertainty on tariffs negotiations and investors and companies may adopt more of a wait and see approach, the effects are likely to be a temporary. "The fundamentals in the region are strong, and its diversified linkages, especially with Asia, will benefit the countries," Saidi said.

A sustained drop in oil prices will affect Gulf states that are less diversified and fiscally vulnerable due to high fiscal break-even oil prices, Saidi said, citing International Monetary Fund (IMF) data. The IMF sees fiscal break-even prices at \$90.90/bbl in Saudi Arabia, \$50 in the UAE, \$124.90 in Bahrain, \$81.80 in Kuwait, \$57.30 in Oman and \$44.70 in

Qatar.

“Rising deficits could lead to a rein in of public spending and increased borrowing if project and social spending is to be maintained,” Saidi said.

Still, “These are still early days as the impact of greater US protectionism unfolds, but there will be an impact on global supply chains and related investment flows,” he added.

Recession fears could weaken the US dollar, which most Gulf currencies are pegged to, which would make their economies more competitive. Consequently, the optimal policy choice for Arab countries is to maintain a liberal and open trade and investment environment, Saidi said.

Gulf states are a gateway for Africa and Middle East countries as well as Southeast Asia, and they “could become even more attractive as an investment destination as countries, notably China and [others in Asia], diversify trade and investment away from the US,” Saidi said.

Trump has a “transactional” nature, and when he visits the region in May, he is likely to have tariffs, non-tariff trade and investment barriers in his negotiation’s toolbox, he added.

Comments on “Can Lebanon’s new central bank governor

break the cycle of economic crisis?" in Arab News, 31 Mar 2025

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Can Lebanon's new central bank governor break the cycle of economic crisis?](#)" published on 31st March 2025.

The comments are posted below.

Echoing the prime minister's apprehensions is Nasser Saidi, a former Lebanese economy minister and central bank vice governor, who raised concerns about the selection process for the new central bank chief, warning that powerful interest groups may have too much influence.

He told the Financial Times that the decision carried serious consequences for Lebanon's economic future, saying that one of Souaid's biggest challenges will be convincing the world to trust the nation's banking system enough to risk investing in its recovery.

"The stakes are too high: You cannot have the same people responsible for the biggest crisis Lebanon has ever been through also trying to restructure the banking sector," said Saidi, who served as first vice governor of the Banque du Liban for two consecutive terms.

"How are we going to convince the rest of the world that it can trust Lebanon's banking system, and provide the country with the funding it needs to rebuild (after the war)?"

Lebanese economist Saidi said that the IMF "quite correctly

and wisely” demanded comprehensive economic reforms.

In a March 14 interview with BBC’s “World Business Report,” he said that the government must address fiscal and debt sustainability, restructure public debt, and overhaul the banking and financial sector.

But hurdles remain. Saidi added that while Lebanon “has a government today that I think is willing to undertake reforms, that does not mean that parliament will go along.”

Lebanon also needs political and judicial reform, including an “independent judiciary,” he added.

Nevertheless, Saidi told the BBC that Lebanon, for the first time, has “a team that inspires confidence” and has formed a cabinet that secured parliament’s backing. Despite this positive step, Lebanon must still address structural failures in its public institutions, rooted in decades of opacity, fragmented authority and weak accountability.

Saidi highlighted the broader challenges Lebanon faces, cautioning that without financing for reconstruction, achieving socioeconomic and political stability will remain elusive.

“If you don’t have financing for reconstruction, you’re not going to have socioeconomic stability, let alone political stability,” he said.

“There has to be a willingness by all parties to go along with the reforms,” he added, highlighting that this is where external support is crucial, particularly from Saudi Arabia, the UAE, France, Europe and the US. Saidi said that support must go beyond helping bring the new government to power – it must include assistance, especially in terms of security.

Keynote interview at the AVCJ Private Equity Forum Abu Dhabi 2025, 11 Feb 2025

Dr. Saidi discussed the current global economic conditions and the implications for private equity investment strategies in the Middle East in this keynote interview.

The interview can be accessed via this [link](#)

The main points of discussion were as below:

1. The geo-political landscape is changing. Important to understand the big shift in economic activity towards Asia (particularly, China)
2. Trump & his Maganomics policies (including tariffs) can play to the benefit of the GCC: China can divert their trade away from the US to this region; GCC can emerge as “Middle Powers” & GCC can use this as an opportunity to shape MENA region into an interlinked trade and investment hub. Start thinking of trade in infrastructure services.
3. GCC countries have matured very quickly in the past 15 years. A trend of regionalised globalisation, driving regional integration.
4. Need to support the increased trade & investment with Asia with banking, financial & payments links: use of renminbi to settle trade transactions, digital payments, the mBridge cross-border CBDC platform
5. GCC SWFs are growing their domestic role, but will pivot towards Asia
6. GCC are emerging as Global Old & New Energy & Climate

Tech hubs. Middle East dominates crude oil exports and are increasing investments in renewables & climate tech.

7. Opportunities in sectors: Tech (AI, data centres, robotics but all customised to the needs of the region), renewables (no reason you cannot export solar-based electricity to India or Europe), demographics related (health, education), e-mobility (EVs, e-transport systems), electrification of existing infrastructure.
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Bloomberg's Horizons Middle East & Africa Interview, 14 Jan 2025

Dr. Nasser Saidi joined Joumanna Bercetche on 14th January 2025 as part of the Horizons Middle East & Africa show. The discussion focused on the election of a new President and Prime Minister in Lebanon, and about the mammoth yet historical task ahead for Salam.

Watch the interview below or via the [direct link](#).

Comments on Lebanon's Eurobonds rally in The National, 9 Jan 2025

Dr. Nasser Saidi's comments on the rally in Lebanon's Eurobonds appeared in an article in The National titled ["Lebanon's Eurobonds rise amid election of Joseph Aoun as president"](#) published on 9th January 2025.

The comments are posted below.

"The strong rally in Lebanon's government Eurobonds stems from the optimism that the election of Joseph Aoun as the next President, would lead to the implementation of much-needed deep institutional and structural reforms, and a national anti-corruption drive," Nasser Saidi, a former economy minister and deputy governor of Lebanon's central bank, told The National.

The rally, however, is expected to "be short-lived", and will depend on the choice of an effective prime minister and government formation at an early date, he added.

"The need for Lebanon is to have a strong-willed PM and cohesive, competent, and effective government willing to undertake structural reforms without bowing to political pressure. Concurrently, there needs to be a permanent ceasefire in the South to help stabilise the country," Mr Saidi said.

"The right governance set-up and transparency is vital for Lebanon's next step towards reform implementation," Mr Saidi said. "Reforms will need to range from restructuring the banking and financial sector, restructuring external debt, in addition to reforms including fiscal consolidation and reform, downsizing of the public sector, effective management and governance of the state-owned enterprises, in addition to creating a credible, transparent monetary and exchange rate

system [including the move to a flexible exchange rate regime].”

Lebanon will also have to negotiate a new agreement with the IMF as the political, economic, banking, and financial landscape has changed dramatically since the previous IMF staff level agreement in 2020, he added.

Dr. Nasser Saidi’s interview “Ahead of The Curve” with The Buzz Business on CEBC’s pioneering role in MENA’s clean energy transition, Nov 2024

The interview with Dr. Nasser Saidi, in his capacity as the Chairman of the Clean Energy Business Council (CEBC), appeared as a Buzz Business article in Nov 2024. The focus was on CEBC’s pioneering role in MENA’s clean energy transition. The article titled “[Ahead of the Curve](#)” is copied below:

Ahead of the Curve

CEBC’s pioneering role in MENA’s clean energy transition

As climate change increasingly impacts economies and lives across the globe, the Middle East and North Africa (MENA) region finds itself at a crossroads. Here, in a land rich with fossil fuels but increasingly exposed to climate challenges,

the need for a shift towards clean energy and sustainable practices is critical. Leading this charge is Dr. Nasser H. Saidi, founder and chair of the Clean Energy Business Council (CEBC), an organization fostering collaboration between the public and private sectors to catalyze the region's transition to a cleaner future.

Dr. Nasser's journey to the helm of CEBC has been as varied as it is impressive. With a career that spans academia, government, central banking, and senior positions in finance, he is no stranger to the complexities of building something from scratch. "I've always valued freedom and the ability to think independently," he says, reflecting on his time contributing to establishing the Dubai International Financial Center, which started with just a few companies and grew into a global hub. This drive to create and innovate independently has become the backbone of his leadership at CEBC—a vision not only for clean energy but also for MENA's potential to become a global leader in climate solutions.

CEBC was born from an urgent need for more than dialogue; it was a call to action for the region's leaders to reimagine MENA's place in the global energy landscape. Dr. Nasser understood that while the region has long been defined by its fossil fuel wealth, it also possesses vast untapped potential for renewable energy, particularly solar. "This part of the world is blessed with some of the highest solar irradiation on Earth," he explains. "With partners like ACWA Power, ENOC, ENGIE, and ABB at the forefront, we're already seeing impressive advancements in solar capacity and innovative projects that could one day redefine energy systems globally."

CEBC's initiatives are built to tackle a diverse range of challenges, from energy efficiency to hydrogen innovation, e-mobility, and climate finance. Yet, Dr. Nasser emphasizes that the real breakthrough lies in fostering strong, lasting partnerships with both public and private sectors. This commitment to collaboration is evident in CEBC's Annual

Summit, now in its 12th year, which brings together policymakers, industry leaders, and technology innovators to align on regional sustainability goals. This year's summit, themed "Strategic Levers for Decarbonizing MENA," will be held at Expo City Dubai, reflecting the growing regional commitment to decarbonization and sustainability. "By bringing government and regulatory bodies to the table, we're creating the conditions for action," Dr. Nasser says. "CEBC is not just an organization; it's a platform for real change in MENA's energy future."

The MENA region, he points out, is uniquely positioned in the global fight against climate change, with opportunities that extend beyond renewable energy into areas such as water desalination, desert agriculture, and district cooling. These technologies are critical in a region where temperatures are rising, and water scarcity is a daily reality. "Cooling alone accounts for up to 70% of peak energy demand in the Gulf," Dr. Nasser notes. "We've pioneered district cooling systems that are not only more energy-efficient but can be powered by renewable sources. This technology could become a model for the world."

As climate disasters continue to reshape economies, MENA countries face both an urgent challenge and a significant opportunity. CEBC is working to help the region balance its reliance on traditional fossil fuels with the need for renewable energy development. According to Dr. Nasser, this transformation will require considerable investment and policy reforms, especially in terms of reducing fossil fuel subsidies and attracting private financing to fill funding gaps. The International Monetary Fund estimates that MENA will need to invest up to 4% of GDP annually to build climate resilience and meet emissions targets—a staggering number, but one Dr. Nasser sees as achievable with the right public-private partnerships. "For every dollar invested in climate adaptation, we see a return of ten in economic benefits," he

says, highlighting how companies across the region can drive these returns by investing in clean energy solutions.

The private sector, he believes, will play a pivotal role, especially with national initiatives like Saudi Arabia's Vision 2030 laying the groundwork. "The goals set forth in Vision 2030 offer a roadmap for the private sector to contribute to decarbonization through investments in clean energy technologies and sustainable practices. Companies like ACWA Power, ABB, Totalenergies, BEEAH, and other CEBC partners are proving what's possible with large-scale solar and wind projects that have the power to reshape our entire region." CEBC, he adds, has been instrumental in creating platforms for private sector leaders to engage directly with policymakers, facilitating cross-border clean energy projects that address regional needs while also setting an example for the world.

Looking to the future, Dr. Nasser sees energy efficiency as a vital component in achieving MENA's net-zero ambitions, especially in high-energy sectors like construction, transport, and infrastructure. CEBC has recently partnered with the Advancing Net Zero Volunteering Team to launch a white paper focused on retrofitting existing buildings—a crucial step in reducing energy consumption across the region. He believes this focus on efficiency, combined with technological advances like AI-driven energy management and smart grids, will be key to MENA's sustainable development. But Dr. Nasser stresses that the most critical driver will be awareness, both public and governmental. "We're at a tipping point where climate adaptation isn't a choice; it's a necessity," he says, echoing the urgent tone that has defined his work and vision.

What are CEBC's key achievements to date?□

"I'd say the most critical achievement is public awareness. Climate and clean energy are now part of our regional discussions, which is something we couldn't have imagined a

decade ago. Today, we have ministers in charge of climate portfolios, notably in the UAE, and I hope other countries follow. Our partnerships are creating regulatory frameworks that involve both government and the private sector in the transition to clean energy.”

How optimistic are you about the region’s clean energy transition?□

“I am cautiously optimistic. The region’s leadership has a clear vision of what’s needed, and we’re seeing an unprecedented level of commitment to clean energy and climate adaptation. Yet, challenges remain—subsidies for fossil fuels need to be removed, and people’s perceptions around the ‘cost’ of energy must shift. Still, I am inspired by the strides we’ve made and confident that with ongoing collaboration, we can achieve real, lasting change.”

What advice would you give to companies in the private sector?□

“Start with energy efficiency—look at your own operations, from building temperatures to energy sources, and be ready to invest in clean technologies. Long-term success will depend on this. I also advise companies to get involved with CEBC or similar platforms to stay aligned with national goals and regulatory developments. The future will belong to companies who adapt early and invest in sustainable practices.”

Looking ahead, Dr. Nasser’s vision for CEBC reflects both urgency and optimism. As the region grapples with the realities of climate change, CEBC stands as a catalyst, turning MENA’s unique challenges into opportunities. With the right partnerships and a clear focus, CEBC is not just imagining a cleaner future—it’s building one.



“CEBC isn’t just an organization; it’s a platform for real change in MENA’s energy future.”

Dr. Nasser H. Saidi, founder & chair, Clean Energy Business Council (CEBC)

Comments on PetroYuan & GCC commitments to energy transition in Energy Intelligence, Nov 2024

Dr. Nasser Saidi’s comments on the PetroYuan appeared in an article titled [“Oil Dollar Pricing Seen Staying, But New](#)

[Payment Modes Emerging](#)” in Energy Intelligence, published on 8th November 2024. The comments are posted below.

Nasser Saidi, president of Nasser Saidi & Associates, an economic advisory and business consultancy and founder of the Clean Energy Business Council Mena, believes alternatives are no longer pipedreams.

“As geo-eco-political tensions increase and global economic and trade fragmentation increases as a result of Cold War II, we will witness the growth of the PetroYuan for financing China’s O&G with its major oil exporters, Saudi Arabia, the UAE and other GCC countries,” he told Energy Intelligence.

He cited reports of Indian oil refiners making payments in rupees for purchase of crude oil from the UAE under the ‘local currency settlement’ system agreed upon by the two countries. More importantly than India, which is the world’s third-largest oil importer, are oil exporters, including Russia, Iraq and Indonesia that have accepted the yuan as payment for crude oil shipments, Saidi said. In 2023, there were 12 major commodity contracts that were settled in non-US dollar currencies.

Saidi doesn’t believe pricing oil in other currencies will be an immediate move and he foresees the emergence of an Asian yuan zone as China increasingly integrates Asian countries into its supply chain. However, as trade and investment sanctions are ratcheted up and the dollar is increasingly weaponized, for example by freezing of Russian US dollar and euro dominated assets, “countries will be encouraged to develop new payment mechanisms that could challenge the dominance of the dollar,” he said.

This could be in the form of adopting the yuan for trade, with the PetroYuan being used both for energy and non-oil trade payments, and settlement, he added. Other options include the extension of the Cross-Border Interbank Payment System (Cips),

an alternative to Swift, and arranging central bank digital currency (Cbdc) transfers that facilitate cross-border flows such as the successful collaborative effort mBridge. While the Brics bloc announced plans for Brics Bridge, a digital currency cross-border payment solution, as an alternative to the dollar, Saidi said “there is a long while before it becomes operational and/or widely used.”

In a separate article titled “[Decarbonization Still in Focus Despite Mideast Geopolitics](#)“, dated 13th Nov 2024, comments on GCC’s energy transition efforts were mentioned. Comments are posted below.

To date, Mideast countries don’t appear to have wavered from their commitments towards the energy transition, said Nasser Saidi, president of Nasser Saidi & Associates, an economic advisory and business consultancy, and founder of the Clean Energy Business Council Mena. “For now, regional geopolitics has had a limited impact on various commitments to energy transition,” Saidi told Energy Intelligence. “However, should funds need to be diverted to increased security and military spending, there would be a delaying impact.”

The implementation of decarbonization and energy transition strategies are inevitable for countries of the region and will buttress their diversification efforts, Saidi said. It will also help them create new export industries and products like hydrogen, attract foreign investment, and create jobs associated with the green economy and climate risk mitigation and adaptation technologies, he added.

Dr. Nasser Saidi's interview with Kulluna Irada on Lebanon's "Economy in times of war", Nov 2024

In a series of videos, Dr. Saidi speaks to Kulluna Irada about Lebanon's "Economy in times of war".

The 3-part series covers:

1. What is the economic impact of this #war compared to 2006?

Dr. Nasser Saidi estimates overall reconstruction costs at \$25 billion, in a much less favourable domestic and international context than in 2006.

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pic.twitter.com/Fq393DIkVP

– Kulluna Irada (@KullunaIrada) [November 7, 2024](#)

2. What are the immediate priorities for Lebanon?

Economist and former Minister Nasser Saidi calls for urgent action: securing humanitarian aid, ensuring it reaches the most vulnerable, and specifically children, maintaining Lebanon's global connections, and the need for a new political authority.

pic.twitter.com/t10P3QIwDY

– Kulluna Irada (@KullunaIrada) [November 13, 2024](#)

Comments on Lebanon's economy in The National, 24 Sep 2024

Dr. Nasser Saidi's comments on the Lebanese economy given the escalating conflict appeared in an article in The National titled "[Lebanon's economy may shrink by up to 25% in 2024 as war intensifies](#)" published on 24th September 2024.

The comments are posted below.

Nasser Saidi, a former economy minister and vice governor of Lebanon's central bank, told The National a widening of conflict to include a ground attack would be devastating, including through further loss of GDP, exports, remittance, inflow of foreign direct investment, and emigration.

"A further escalation into a wider war, with strikes and destroyed infrastructure, could see the economy contract by up to 25 per cent in 2024," he said.

"War could also result in an interruption of remittances, increasingly in cash, which has been a major source of income for the impoverished population – remittances represent about 30 per cent of GDP – and of the foreign exchange required to pay for imports."

Foreign trade, and travel and tourism will be directly affected, as will power, transport and a retail sector already hit by low purchasing power, he added.

"Destruction of farmland will have a near permanent impact on the agricultural sector, much of which is based in the south and the Bekaa, and its exports, the main source of income for the inhabitants of the south," Mr Saidi said.

Additionally, severe damage to medical facilities and buildings, water and waste infrastructure, and closure of schools will have “longer-term implications” for health, sanitation and education in what is already one of the poorer regions of Lebanon, he added.

“Apart from the south and the Bekaa, the immediate impact will be felt on everyday activity – lower consumption – and tourism and its direct receipts: this will have a major impact on an economy that is already reeling from a severe economic and political crisis,” he said.

Comments on Libya’s central bank in The National, 14 Sep 2024

Dr. Nasser Saidi’s comments on Libya’s central bank in the backdrop of the two rival governments’ disagreement appeared in an article in The National titled “[Can Libya function without a central bank?](#)” published on 14th September 2024.

The comments are posted below.

Libya’s two rival governments have not yet reached an agreement on who would lead the country’s central bank. Any delays or failure could plunge Libya’s economy into a deeper crisis as it reels from a liquidity shortage and high levels of inflation.

The Central Bank of Libya is the only authorised entity to manage the country’s oil revenue, which accounts for more than 90 per cent of the total government income, and is responsible

for paying state salaries nationwide.

“The central bank’s role is strategic – not only as the manager of international transactions, including oil revenue and international reserves, but also as the government’s bank for payments, including salaries for civil servants and the military – which is now a question mark,” said Nasser Saidi, president of Nasser Saidi and Associates.

“Impeding the activities of CBL threatens the very livelihood of Libya, with a loss to all parties and the population ... any delays in payments of salaries will trigger further disarray, with an economy already struggling with liquidity shortage,” he told The National.

However, last week, the UN mission in Libya said that the two governments had reached an agreement to appoint a new governor for the central bank, sparking hopes of a swift end to the crisis.

“The current uncertainty threatens to destroy the 10 years of building trust and credibility with the international financial system. While an agreement has been reached between the two factions to jointly appoint a central bank governor, consultations are still continuing,” Mr Saidi said.

“Delays threaten not only the ability of the CBL to provide domestic banking and payment services but access also to the international financial system and source of income from oil sales,” he added.

Comments on the GCC-Turkey trade negotiations & opportunity in The National, 30 July 2024

Dr. Nasser Saidi's comments appeared in an article in The National titled "[GCC and Turkey's trade agreement could create \\$2.4tn opportunity](#)" published on 30th July 2024.

The comments are posted below.

"By liberalising trade in goods and services and investment, a GCC-Turkey FTA would potentially create one of the world's largest FTAs of \$2.4 trillion if fully implemented," Nasser Saidi, a former economy minister and vice-governor of Lebanon's central bank, told The National.

"This would require agreement on domestic content, GCC co-ordination with Turkey on trade facilitation to avoid long waiting times at borders, inappropriate fees, cumbersome customs formalities, and inadequate or unclear rules and regulations."

"The GCC are now negotiating as a trading bloc, strengthening their negotiating power as compared to negotiating individually," Mr Saidi said.

"Greater regional economic and financial integration implies greater economic diversification gains and generate higher economic growth."

He said that the GCC and Turkey are to benefit from the deal as global trade is disrupted by sanctions and tariffs at a time when the US and China are at odds.

The deal will also have "positive spillover effects for other

countries, such as Iraq and Syria, that can benefit as GCC-Turkey trade and investment links grow”, Mr Saidi said.

A GCC-Turkey free-trade agreement could also facilitate Brics membership and “add an important economic and geostrategic member”, to the 10-member bloc, Mr Saidi said.

“Central Bank Digital Currencies’ Impact on MENA Economies”, Council Views in The Middle East Council on Global Affairs (ME Council) Afkar, 4 Jul 2024

Dr. Nasser Saidi. contributed his expert opinion on as part of Council Views related to the topic “Central Bank Digital Currencies’ Impact on MENA Economies”. Council Views is a ME Council (The Middle East Council on Global Affairs) article series that brings together our experts’ insights on headline issues facing the Middle East and North Africa region. The original, complete article is available on the ME Council website ([link](#)) and Dr. Saidi’s opinion is posted below.

This contribution and discussion stemmed from a ME Council’s Roundtable Discussion on Central Bank Digital Currencies (CBDCs) held in Turkey on 10th May 2024.

How MENA Countries Can Benefit from CBDCs

[Nasser Saidi](#)

CBDCs can be the cornerstone for secure and efficient monetary, financial, and market digital transactions. For the MENA region, socio-economic benefits from the roll-out of CBDCs would be two-fold:

First, for developing nations, a retail CBDC could lead to greater financial inclusion. Only 48% of adults in the MENA region—excluding high-income nations—have a financial account, around 23 percentage points lower compared to the developing economy average. CBDCs designed to operate offline could be used by the unbanked and large populations of immigrants, refugees and displaced individuals. Moreover, interoperability is a vital feature that would enable greater adoption and usage of CBDCs. Data derived from CBDC usage can be used to establish credit profiles, improving access to finance including for small and medium-sized enterprises (SMEs), as this would lower disparities in lending arising from a lack of information on credit risk.

Second, for wealthier countries like those in the Gulf Cooperation Council (GCC), CBDCs would facilitate trade and financial transactions through faster, cheaper, more transparent, and more inclusive cross-border payment services, while reducing the risk of cross-border payments and increasing settlement efficiency.

Importantly, CBDCs need to be supported by secure, inclusive infrastructure, including digital public infrastructure to enable digital identities. This could be along the lines of a national digital ID (such as India's Aadhaar), real-time payment systems (Brazil's Pix or Egypt's InstaPay), or integrated payment systems (e.g. China's e-CNY pilot program

and integration with Hong Kong), among others. Digital inclusion needs to be one of the pillars of CBDC rollouts, with financial literacy and data protection integrated into the process. There should be a holistic—not a silo—approach to designing and rolling out CBDCs.

Comments on UAE-China economic linkages & prospects in The National, 28 May 2024

Dr. Nasser Saidi's comments appeared in an article in The National titled "[Trade deals and tech in focus as President Sheikh Mohamed visits China and South Korea](#)" published on 28th May 2024.

The comments are posted below.

"Energy remains at the heart of the UAE's burgeoning relation with China, though in recent years it has extended beyond," Nasser Saidi, Lebanon's former economy minister, told The National.

The UAE could benefit from linking its financial markets to Shanghai and Hong Kong, greatly helping financial flows, Mr Saidi said.

Potential linkages could also include the adoption of yuan for

trade and the extension of China's Cross-Border Interbank Payment System, which is considered an alternative to the SWIFT payment system, he added.

Comments on Saudi Arabia's economic diversification in Al Arabiya News, 8 Apr 2024

Dr. Nasser Saidi's comments appeared in an Al Arabiya News article titled "[Saudi Arabia's economic diversification: Driving growth beyond oil](#)" published on 8th April 2024.

The comments are posted below.

Amidst the dynamic economic shifts within Saudi Arabia, experts underscore the essential contribution of the non-oil private sector to driving sustainable job creation and enhancing total factor productivity growth, contrasting it with the capital-intensive oil and gas sector's limitations in meeting the demands of the burgeoning young and educated population.

"With approximately 60 percent of the population under the age of 30, there is a pressing need to pivot toward the non-oil private enterprises, rather than relying solely on the public sector, as the primary driver of sustainable job creation and heightened total factor productivity growth," founder, president and chief economist at Nasser Saidi & Associates, Nasser Saidi, emphasized.

"Expansionary readings of the Saudi PMI for March 2024 echo

the resilience and resurgence of the private sector following the challenges posed by the COVID-19 pandemic,” he told Al Arabiya English. “The spike in demand has spurred a flurry of new orders and clientele, with export orders rebounding notably after a period of subdued activity. Noteworthy is the observed rise in employment alongside mild wage pressures, positioned to bolster the financial standing of firms and listed companies, thereby fortifying the overall health of the financial markets.”

“Saudi Arabia is progressing steadily toward achieving the ambitious objectives outlined in Vision 2030, buoyed by supportive public investments and comprehensive policy and legal reforms,” Saidi explained. “The Kingdom has pursued rapid diversification across three pivotal fronts: enhancing trade diversity to elevate non-oil trade share, boosting export value-added and expanding trade partnerships; pursuing government revenue diversification through VAT and other broad-based tax measures; and broadening production horizons to lessen reliance on oil-centric industries.”

“A significant driver of this [GDP] growth, constituting 40 percent, is private consumption, fueled by the emergence of new sectors such as entertainment, hospitality and tourism,” Saidi mentioned. “Notably, social reforms have propelled a rise in female labor force participation rate, concurrently reducing the female unemployment rate to a historic low of 13.7 percent in Q4 2023. This shift towards dual-income households has not only elevated household income but has also facilitated increased consumption rates and wealth accumulation.”

He added: “These developments have been instrumental in bolstering the services sector, including retail, and catalyzing the digital economy, with women playing important roles in both arenas.”

Among the various non-oil sectors experiencing growth in Saudi

Arabia, Saidi believes that tourism has strong potential, given the country's capacity to attract cultural, historical, and religious tourists.

He noted that "Saudi Arabia made an exceptional achievement of hosting 27 million foreign tourists and 77 million domestic visitors in 2023, meeting previous targets set for 2030."

"Strategic initiatives such as the development of resorts along the Red Sea and hosting major events like gaming conferences and concerts, coupled with facilitative measures like the unified GCC tourist visa and the upcoming Expo 2030, are projected to fortify tourism prospects," Saidi stressed.

"Services-related industries such as financial services, wholesale and retail trade, restaurants, hotels, as well as transport and logistics, are expected to lead the upswing," Saidi emphasized. "These sectors are anticipated to experience rapid development, reflecting a buoyant economic landscape. However, challenges may arise in the construction sector due to disruptions in Red Sea shipping, leading to increased costs of construction inputs and potential cost overruns."

Saidi suggested a positive near-term outlook driven by several key factors. Those include the pipeline of Mega and Giga projects, preparations for Expo 2030 and the World Cup 2034, and the ongoing regional headquarters project, where licenses are being issued at a remarkable rate of ten per week.

"The Public Investment Fund's domestic investments in new and emerging sectors are also expected to provide crucial support to non-oil activity, further fueling economic growth."

Comments on the GCC diversification strategies in Arab News, 9 Mar 2024

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Diversification strategies paying off for GCC economies](#)" published on 9th March 2024.

The comments are posted below.

Speaking before the latest PMI report, Nasser Saidi, former Lebanese economy and trade minister and founder of Nasser Saidi & Associates told Arab News: "The Gulf is benefiting from investments that have been made over time."

He said: "I think one of the critical sectors is transport and logistics," further stating how "many countries don't have the airports, transport and facilities that the Gulf has developed, particularly the UAE, Qatar, and increasingly now Saudi Arabia and to a lesser extent Oman."

Saidi continued: "As a result of it, tourism has developed very rapidly, and when you also open up the economy to tourist visas, facilities to establish businesses, and particularly you deal with COVID-19 very effectively, and you open up when the rest of the world was closed – the combination of these factors delivers the growth that we are witnessing now."

The economist believes that one of the undervalued aspects that contributed to non-oil growth is the fact that GCC health systems performed very well during COVID-19.

Saidi believes that the other big story for non-oil sector growth is the investment in renewable energy in the region.

“Despite the odds, these are the countries that are investing the most and the fastest in renewable energy because they have the advantage of solar power,” he told Arab News, adding: “They’re looking at this as a new opportunity of being able to go green and particularly (with) renewable energy, things like district cooling, things like a whole number of climate tech industries.”

The economist said: “Desalination is a perfect one. The combination of these factors in addition to the further opening of the economies with free trade agreements are fostering growth.”

Comments on the impact of UAE being removed from the FATF grey list in The National, 24 Feb 2024

Dr. Nasser Saidi’s comments appeared in an article in The National titled [“UAE’s removal from Financial Action Task Force’s grey list to spur investor confidence”](#) published on 24th February 2024.

The comments are posted below.

The immediate benefit would be an improvement in investors’ trust and confidence in the UAE, leading to an increase in more sustainable capital, foreign direct investment and

portfolio flows, according to Nasser Saidi, head of consultancy Nasser Saidi and Associates.

This move will also support the expansion of both the domestic banking and financial sectors as well as the international financial free zones, as wealthy global investors and foreign businesses become more comfortable investing in the UAE, given its adoption of international laws and conventions, he explained.

Another major beneficiary will be the asset and wealth management activities of UAE-based family offices, he said.

“The UAE’s removal from the FATF grey list is a testament to the country’s political will and willingness to improve overall governance, transparency and disclosure of the banking and financial sector, address weaknesses alongside increasing its ability to deter illicit money flows [via the Executive Office for Anti-Money Laundering and Counter-Terrorism Financing], enhancing its ability to undertake financial investigations and extraditions of financial criminals among others,” Mr Saidi added.

“However, it is important that the UAE continues on its journey in adopting and implementing international best practices and standards, continuously strengthening its financial regulatory regime, including AML/ CFT.”

Comments on the impact of the war in Gaza on Lebanon in The National, 14 Feb 2024

Dr. Nasser Saidi’s comments appeared in an article in The National titled [“Lebanon’s economy reels as cost of damages](#)

[from Gaza war soar](#)" published on 14th February 2024.

The comments are posted below.

Nasser Saidi, a former economy minister and deputy governor of Lebanon's central bank, told The National that the violence has caused extensive damage to buildings, infrastructure and private property, adding up to huge losses for Lebanon's already struggling economy. More than 65,000 people have been displaced in Lebanon because of the war. Trade, tourism, hospitality as well as agriculture and aviation are some of the sectors that have been hit hard.

"The direct attacks in the south of Lebanon heighten uncertainty, inflict damage and destruction to an already impoverished region of the country and inevitably augment the country's burdens," Mr Saidi, who is also head of consultancy Nasser Saidi and Associates, said.

"Already, Lebanon's four main economic pillars, trade and tourism, health, education, banking and finance have been decimated by the ongoing crisis and lack of reforms. Not to mention the long-term scarring effects from the mass migration of Lebanon's human capital which will accelerate if there is an escalation or war in Lebanon."

The agriculture sector has been particularly affected by the fighting. "South Lebanon and Nabatieh are major agricultural hubs accounting for 21.5 per cent of Lebanon's cultivated areas and damage to the sector will result in loss of the means of livelihood and income," Mr Saidi said.

"Any escalation [in the conflict] to the wider nation would be disastrous for a country already reeling from political, economic, and social woes – rebuilding would likely take decades rather than years," Mr Saidi said.

Comments made during this interview were also included in [The National's Editorial on 16th February 2024](#).

“Disastrous”, “decimated” and “impoverished” – these are just some of the words used by Nasser Saidi, a former economy minister and deputy governor of Lebanon’s central bank, to describe his country’s fragile state this week. In an interview with The National published on Wednesday, he outlined how Lebanon’s economic problems – which the World Bank has called one of the worst global financial crises since the middle of the 19th century – were being exacerbated by the spreading violence of the Israel-Gaza war.

According to Mr Saidi, the escalation of the conflict will drive “mass migration” from Lebanon. Rebuilding would “likely take decades rather than years”, he added.

Comments on the World Governments Summit & opportunities in Arab News, 11 Feb 2024

Dr. Nasser Saidi’s comments appeared in an Arab News article titled [“World Governments Summit provides ‘exceptional opportunity’ to address today’s challenges: Experts”](#) published online on 11th February 2024 & on print (12th Feb 2024).

The comments are posted below.

This year’s World Governments Summit will present world leaders and delegates with a unique opportunity to combine efforts and address ongoing challenges amid rising regional

tensions, organizers said ahead of the mega-event.

The three-day summit, set to kick off in Dubai on Monday, will bring together 25 world leaders and heads of state, 120 governmental delegations, more than 85 international and regional organizations and institutions, and distinguished thought leaders and experts. The participants will tackle pressing issues facing humanity across different fields, including economy, technology, artificial intelligence, sustainability, finance and education.

In a statement to Arab News, Nasser Saidi, former chief economist and strategist at the Dubai International Financial Centre, and former minister and first vice governor of the Central Bank of Lebanon, named three major challenges facing governments as they meet at the WGS: the growing visible consequences and risks of climate change, the accelerated growth of the digital economy due to the implications of using AI and related technologies, and the “New Cold War” resulting from growing fragmentation and deglobalization as the US, the EU and their allies decouple from China amid geopolitical conflicts and turmoil.

“Each of these challenges is greater for developing and poor countries,” said Saidi.

A growing multipolar world is evident in governments’ policies that are leading to increased economic and financial fragmentation. The number of global trade restrictions introduced each year has nearly tripled since the pre-pandemic period, reaching almost 3,000 last year, according to the International Monetary Fund.

This “New Cold War,” Saidi said, could result in a 7 percent loss of global gross domestic product according to the IMF, due to global supply chains becoming less efficient, and inward-looking, self-sufficiency policies being disguised as

restrictions on access to tech and critical resources.

“It will be strategically important for the governments meeting at the WGS to rapidly mitigate the risks of a New Cold War and its potential consequences, including growing strategic and military confrontations,” he added.

The growing climate divide and rapid growth of AI will also affect economies, societies, politics and militaries, and lead to greater degrees of inequality within countries.

“AI magnifies the risks of under-investment in the digital economy, and the growing digital divide between advanced economies and developing countries unable to invest in digital technologies and educate their populations for the digital economy,” said Saidi.

The investments required for climate adaptation to make infrastructure services resilient will also be costly for developing countries, requiring governments to partner with the private sector, which will have to provide 80 percent or more of the financing.

“Along with the growing use of robotics, AI will have profound implications for how governments are organized, and how they will deliver goods and services in general, let alone re-educating and retraining their workforce,” said Saidi.

Comments on Saudi Arabia's gold discovery in The National, Jan 7 2024

Dr. Nasser Saidi's comments appeared in an article in The National titled "[Will Saudi Arabia's recent gold discovery provide a major boost to its economy?](#)" published on 7th January 2024.

The comments are posted below.

"The gold discovery could prove significant as the gold content of the ore is high," Nasser Saidi, a former Lebanese economy minister and vice governor of the country's central bank, told The National.

"Saudi Arabia can attract private sector investments in underexplored regions such as the Western Arabian Shield both in precious metals, as well as critical industrial minerals that are basic resources in global decarbonisation," Mr Saidi said. The Western Arabian Shield region also holds valuable rare earth elements, such as tantalum, for which it has a quarter of the world's reserves. It is widely used in smartphones.

Comments on the war in Gaza in Arab News, Nov 19 2023

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Gaza war a threat to fragile world economy, analysts](#)

[warn](#)" published on 19th November 2023.

The comments are posted below.

"At the moment, the situation is fluid," Dr. Nasser Saidi, former Lebanese economy and trade minister and founder of Nasser Saidi & Associates, an economic and business advisory consultancy, told Arab News, adding: "The impact of the Israel-Hamas war will depend on the length and depth of the conflict as well as if it spills over into the wider region, thus drawing in other parties, resulting in international ramifications that would then have an effect on global supply chains."

In his presentation "The Middle East in a Fragmented, Multi-Polar World" at the 19th Korea Middle East Cooperation Forum in Doha from Nov. 5-8 this year, Saidi stated how "global growth momentum has already slowed significantly this year; the war has the potential to further slow growth rates, raise already record-high public debt levels into crisis."

"We are meeting at a very dangerous time for our part of the world," said Saidi during his presentation in Doha. "The timing of this conference is very opportune at a personal level, and I think it reflects many of us. I have known nothing but war during my own lifetime as a professional, as a minister, as a public official, as an academic. My message is it must end and maybe what is happening today in Gaza and Palestine more generally may be a moment of change. We don't know yet. We're still living the fog war."

As Saidi underlined, the Middle East is home to 60 percent of the world's refugees – the highest number in the world.

Palestinian refugees won't just stay in neighboring countries, they will be pushed to move to other regions, including Europe, he added.

"The impact of the war on oil and gas prices could be huge," said Saidi, further noting that if oil prices jump to a record \$150 per barrel as the World Bank warns, "it will affect world economic growth, which has already been slowing during 2023. The more inflation affects commodity prices, the lower economic growth and the increase in debt crises for many countries because you are also having a period of high interest rates."

"Destruction and violence beget violence," added Saidi in his presentation. "There are no military solutions in Gaza."

The countries most vulnerable in the Middle East include Lebanon, Egypt, Jordan and Iran. These countries are already facing a decline in growth, have current account and fiscal deficits and a fall in international reserves. According to Saidi, the sectors that will be most impacted in these countries are tourism, hospitality, construction and real estate, as well as capital outflows and lower foreign direct investment inflows.

"The world is becoming increasingly fragmented," said Saidi.

It has also experienced great economic shifts in recent years – shifts that see the global economy looking eastward rather than westward.

In 1993, the G7 countries produced close to 50 percent of the world's gross domestic product. Today, that group accounts for 30 percent, while Asia, in particular China, produces close to 20 percent.

"The implications for this part of the world are very clear," said Saidi. "Our economic relations, politics, defense and other ties have always been with the West, but economic geography dictates that we need to shift those relations towards Asia."

Saidi argued in his presentation that one way to solve some of

the dire economic prospects facing the Middle East, especially with the war in Gaza, is the creation of a regional development bank. The focus now needs to be on “post-war stabilization, reconstruction, recovery and a return to pre-war economic legacy.”

“The GCC (Gulf Cooperation Council) have got to be the main engine for economic stability across the Middle East because they’re capable of doing that,” said Saidi. “In order to do so, we must reinvigorate the GCC common market and the GCC customs union. We need trade agreements as a block for the GCC countries. Secondly, we need to establish an Arab bank for reconstruction and development.”

“We are the only region in the world without a development bank,” said Saidi.

When asked why the Middle East needs a development bank, Saidi said: “Because many of our countries have been destroyed.”

“We need to help rebuild them. The cost is easily \$1.4 to \$1.6 trillion, and the list of countries is increasing. We now have Gaza and Palestine added to them.”

This, he said, could be one area for cooperation between the Middle East and Asia.

“The big tectonic shift is moving towards Asia,” added Saidi. “All our trade agreements are with Europe and the United States. That must change. We must shift.”

Comments on Lebanon &

potential spillover from the Israel–Gaza war in The National, Oct 18 2023

Dr. Nasser Saidi's comments appeared in an article in The National titled "[Lebanon's economy could collapse completely if Israel–Gaza war spreads, warn analysts](#)" published on 18th October 2023.

The comments are posted below.

"The economic situation and all the indicators will rapidly deteriorate as a result of the security crisis and the Hamas-Israel war which can spill over into Lebanon," Nasser Saidi, a former economy minister and vice-governor of Lebanon's central bank, told The National.

An escalation of the conflict into Lebanon, he said, would lead to "potential destruction of its remaining infrastructure, including ports and the airport which are the economic lifeline of the country given its high dependence on the Lebanese diaspora."

Lebanon "could experience complete collapse" if the fighting continued to spread, added Mr Saidi, president of Nasser Saidi and Associates.

"Already we have seen population displacement from the south of the country, while we are witnessing an accelerated exodus of skilled professionals."

Comments on the proposed India-Middle East-Europe trade corridor in The National, Sep 11 2023

Dr. Nasser Saidi's comments appeared in an article in The National titled "[Why new trade link between India, Middle East and Europe is a win for all](#)" published on 11th September 2023.

The comments are posted below.

"The India-Middle-East-Europe corridor will be a win-win for all countries involved in the project," president of Nasser Saidi and Associates, Nasser Saidi, and its director of macroeconomics, Aathira Prasad, said.

"The move will support the UAE's diversification efforts, as it can expand its trade with other markets in the corridor, underscoring its current efforts to deepen trade relations with emerging market nations."

"Deep trade agreements need to be signed to reap the full benefits from the corridor," Mr Saidi said.

"The region should take this opportunity to improve trade facilitation measures", including easing the movement of goods at the border and focusing on reducing overall trade costs, he said.

"In the medium term, integrating trade infrastructure (ports, airports, logistics) in the wider Mena region would lower costs and facilitate intraregional trade, leading to greater regional integration," said Mr Saidi.

"Given ongoing renewable energy projects and net-zero emissions ambitions of the UAE and wider GCC, one could even

envisage a GCC renewable-energy-powered, integrated electricity grid could extend all the way to Europe and India,” Mr Saidi said.

A potential land-based alternative to the Suez Canal will reduce the risk of it being a chokepoint, as it currently handles about 10 per cent of global maritime trade, Mr Saidi said.

“Instead of viewing the corridor as a threat to revenue, this should be seen as an opportunity to integrate the various modes of transportation ... creating an air-sea-land custom-free corridor to support the movement of goods,” he said.

Comments on Saudi Arabia's economic diversification in Arab News, Aug 26 2023

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Saudi Arabia's economic diversification thrives amid global uncertainty](#)" published on 26th August 2023.

The comments are posted below.

Despite market volatility, Nasser Saidi & Associates – an economic and business advisory consultancy led by a Lebanese politician and economist who held roles as minister of economy and industry and vice governor for the Lebanese central bank– reveals that from 2000 to 2019, notable improvements in Economic Diversification Index scores are seen in countries such as China, the US, Saudi Arabia, Germany, and Oman.

Additionally, GCC nations, excluding Bahrain, rank among the top 20 countries that have advanced their EDI scores during this timeframe.

While Saudi Arabia ranks among the nations experiencing rapid EDI growth, it's important to note that its journey started from a relatively modest base, notes Saidi.

The Kingdom's earlier limited level of diversification implies that its pace would outstrip that of already highly diversified economies, he explains.

"There is a process of convergence toward highly diversified economies. We can expect this trend to continue."

Saidi emphasizes that the improvement of Saudi's EDI score is not surprising, given the conscious effort to expand the non-oil private sector's contribution to the GDP – a pivotal component of the diversification strategy supported by economic policies.

"On the output side, diversification away from oil has benefitted from the size of the country as well as having relatively closed sectors although with relatively low levels of tariffs," he says.

While Saudi Arabia's economic diversification model is reaping notable benefits and success, oil still remains a dominant source of Saudi export and fiscal revenue, directly accounting for over 40 percent of its GDP, according to a report by the IMF in 2022.

"With respect to trade, oil is still the prominent commodity the Kingdom trades, however, being an international commodity, it is traded with a large, diversified set of nations (offering some buffer in case a few of the major trade partners' growth/ demand weakens)," explains Saidi.

However, as we look forward, the question arises: how can

Saudi Arabia's economic diversification model sustain its fruitful trajectory?

According to Saidi, Saudi investments in sectors like mining and metals, along with hospitality and tourism, including religious, cultural, and historical, "seem most likely to reap benefits."

Additionally, there has also been the introduction of revenue-enhancing measures. These include measures such as value added tax at a comparatively higher rate of 15 percent compared to other GCC nations, along with excise and legislated taxes on specific goods and services at purchase.

These additions, explains Saidi, "have enabled the country to move away from the procyclical nature of government revenue that was evident in the past, tracking oil's boom-bust cycles and leading to pro-cyclical fiscal policies."

Saidi emphasizes that for Saudi Arabia, the continuation of fiscal consolidation efforts is vital, which includes implementing revenue-enhancing measures. As the country strives to attract regional headquarters to relocate to Riyadh, he says it would be interesting to see how the corporate taxation efforts are molded.

Further expansion of economic diversification opportunities can stem from the clean energy sector, particularly as the Kingdom advances its initiatives toward achieving net-zero emissions by 2060.

"The clean energy sector has much potential for growth – the nation could even export electricity generated from solar power via an interconnected grid all the way to Europe and/ or South Asia," he states.

"In my view Saudi will emerge as a new energy powerhouse during this decade, building on its comparative advantage in solar power and exporting 'green electricity' and hydrogen,"

Saidi concludes.

Comments on Lebanon's potential oil and gas finds in The National, Aug 25 2023

Dr. Nasser Saidi's comments appeared in an article in The National titled "[Lebanon 'years away' from realising benefits of potential oil and gas finds](#)" published on 25th August 2023.

The comments are posted below.

There's a "presource risk" when it comes to Lebanon's case, where policymakers ramp up spending in anticipation of potential future revenue, Nasser Saidi, president of Nasser Saidi and Associates and Lebanon's former economy minister, told The National.

Even if they find oil and gas trapped beneath the seabed, the quantity discovered may not be worth a major investment, Mr Saidi said.

For Lebanon's economy to benefit from any future oil and gas production, a national oil fund that is independent of the country's Finance Ministry needs to be set up, Mr Saidi said.

"There should be a strict law on the use of any revenues because this is resource wealth that is not renewable ... you have to keep it for future generations," he said.

In Lebanon's case, revenue from oil and gas exports will come after "seven to eight years" as it builds the necessary infrastructure and pipelines, Mr Saidi said.

“We don’t know what the price of oil and gas is going to be by then. The world is in the energy transition and everybody is moving towards renewable energy and that might mean potentially downward pressure on oil and gas prices,” he said.

Comments on Saudi Arabia’s & UAE’s invitation to join the BRICS in AGBI & The National, Aug 24 2023

Dr. Nasser Saidi’s comments appeared in an article in AGBI titled [“New Middle East members expand Brics reach”](#) published on 24th August 2023.

The comments are posted below.

“It is an important geo-strategic move, the bloc can focus on issues and objectives relevant to them as opposed to a Bretton Woods agenda set by the West,” said Nasser Saidi, a prominent Lebanese economist and former government minister.

Dr Saidi said that the current and future Brics members are not holding common currency discussions. But the potential for using local currencies for trade financing and settlement is critical if the announcement is to have lasting significance.

“This is extremely important for the emerging market nations which are currently dependent on dollar fluctuations and the Fed’s rate decisions,” he said, referring to the US Federal Reserve.

Comments from Dr. Nasser Saidi and Aathira Prasad appeared in an article in The National titled [“Expansion of the Brics group could lead to ‘different world order’, analysts say”](#) published on 24th August 2023.

The comments are posted below.

“Expanding the Brics to include six new members, including the UAE and Saudi Arabia from the GCC, underscores the potential for the expanded bloc to become the architect of a different world order – one that reflects the shift in global economic and financial geography towards the East,” president of Nasser Saidi and Associates, Nasser Saidi, and its director of macroeconomics, Aathira Prasad, said.

“Joining the group will allow these GCC nations to diversify strategic alliances and also help set a global policy agenda.

“There are many economic challenges that are common to this set of nations including impact from climate change, energy transition, infrastructure for development, poverty as well as growing inequality across and within nations – being part of the bloc will enable these nations to tailor solutions according to their needs and interests.”

Saudi Arabia and the UAE are already among the largest trading partners of the Brics in the Middle East and joining the group facilitates further expansion in trade and supports their economic diversification strategies, added Mr Saidi and Ms Prasad.

“The newly expanded bloc can follow the precedent set by the UAE and India and use local currencies for trade financing and settlement,” they said.

Comments on the delays in Lebanon's reforms in The National, Aug 4 2023

Dr. Nasser Saidi's comments appeared in an article in The National titled "[Reform delays threaten to plunge Lebanon's crisis-struck economy into darker depths](#)" published on 4th August 2023.

The comments are posted below.

Topping the long list of necessary measures required to overhaul the economy is restoring confidence in the banking system and the Banque du Liban by instituting checks and balances, public accountability, transparency and disclosure, said Nasser Saidi, formerly Lebanon's economy minister and vice-governor of the central bank.

"It is incredible that there has been zero accountability of the BdL for the biggest financial crisis in history that has destroyed the Lebanese economy," he said.

"With a new acting governor at the central bank, the hope is for a faster rollout of policy reform, with support from the caretaker government," Mr Saidi said.

"Credible financial restructure tops the list of reforms needed ... in addition to a move towards flexible exchange rates and stopping all quasi-fiscal policies such as the financing of the state budgets."

"These necessary reforms are politically feasible but remain an uphill task in the current political backdrop," Mr Saidi said.

"Any further delays will only lead to further exchange rate depreciation, a plunge in consumer and business sentiment and increase cash dollarisation alongside high levels of

inflation,” he added.

Comments on the landmark power project of GCC Interconnection Authority and Iraq in Arab News, Jun 24 2023

Dr. Nasser Saidi’s comments appeared in an Arab News article titled “[Electrical transmission line connecting Afar in Saudi Arabia to Yusufiya in Iraq inaugurated](#)” published on 24th June 2023.

The comments are posted below.

Crucially, the agreement underscores part of what Nasser Saidi, Lebanon’s former economy and trade minister and founder of Nasser Saidi & Associates, calls “the regionalized globalization by the GCC.

“Integrated electricity grids, such as between Saudi and Iraq, result in greater power efficiency, improved management of electricity grids and network economies, lowering costs for all the countries involved,” he told Arab News.

“It allows the creation of a GCC-augmented electricity market and electricity trading across borders. In parallel, Saudi, the UAE and other GCC countries are heavily investing in renewable energy (mainly solar) for their power generation,” he said.

“Eventually, the GCC can export solar-based electricity green energy to not only neighboring countries (Iraq, Jordan, Egypt and Yemen) but also to India and across North Africa into Europe. Already, a GCC-India undersea electricity connector is planned. A new energy infrastructure map is emerging.”

There also, said Saidi, wider possibilities and vision for the agreement that have the potential as stated by Prince Saud and Al-Mitwiti to garner greater energy security and economic benefits for the region.

“The integration of basic infrastructure – water, electricity, transport and logistics (ports and airports) – is a major building block of greater economic integration between the GCC and its regional partners, enabling the deepening of regional trade and investment links,” Saidi explained.

He added: “Infrastructure integration fosters economic development. It creates jobs in countries such as Iraq, Jordan, Egypt, Lebanon and Syria that have traditionally been reliant on exporting labor, helping them combat the present brain drain.”

Moreover, as Saidi stressed, the greater integration of these countries with the GCC enables partners to participate in global value chains through the region, generating higher value exports (rather than low-value commodity exports such as phosphates) and diversify their economies.

All of this is taking place during a time of great change for world energy markets.

“The GCC countries are now pursuing an active international trade and investment strategy leading to ‘regionalized globalization’, at a time when the rest of the global economy is fragmenting and there is attempted US, EU and allies decoupling from China,” he added. “Strategically, regionalized globalization can lead to greater geopolitical stability.”

“China and the Middle East”: Dr. Nasser Saidi’s fireside chat at the UBS Greater China Conference, Jan 2023

Dr. Saidi participated as a keynote speaker in the UBS’s annual flagship event, the 23rd edition of which took place in January 2023 in Hong Kong with a theme of ‘The Way Ahead’.

[In this podcast](#), recorded in Jan 2023, UBS APAC head of research Martin Yule asks Nasser Saidi, former chief economist of the Dubai International Financial Centre and the first governor of the Central Bank of Lebanon, to discuss the theme, ‘China and the Middle East: old friends in a new era’. The talk focuses on trade, oil, growth of Middle East capital markets, the potential free trade agreement as well as broader aspects of China-Middle East cooperation.

Listen to the podcast:

https://nassersaidi.com/wp-content/uploads/2023/03/the_bulletin_with_ubs_441.mp3

Comments on Lebanon's currency crash in Bloomberg, 2 Mar 2023

Dr. Nasser Saidi's comments on Lebanon's currency crisis appeared in the Bloomberg article titled "[World's Biggest Currency Crash Prompts Lebanon to Intervene Anew](#)", published on 2nd Mar 2023.

Comments are posted below.

Given Lebanon's limited international reserves, the pound stands little chance of returning to stability any time soon, according to Nasser Saidi, formerly a minister of economy and a vice governor at the central bank.

It's "failed policy, we have seen it before," he said. "Whatever remaining money is at the central bank is being used to subsidize public employees."

Previous such efforts to inject dollars only briefly shored up the pound.

"This operation will fail and is becoming more expensive because the economic cost is increasing," Saidi said. "We are taxing the cash economy that is running into a hyperinflationary spiral."

Comments on Lebanon's

devaluation in Bloomberg, 1 Feb 2023

Dr. Nasser Saidi's comments on Lebanon's devaluation appeared in the Bloomberg article titled "[Lebanon Devalues, Still Leaves Pound Far Away From Black Market](#)", published on 1st Feb 2023.

Comments are posted below.

The central bank "is continuing with a policy of using the printing press, printing pound to buy dollars in the market, including through the Sayrafa platform," said Nasser Saidi, a former minister of economy and a vice governor at the central bank. "The consequences are clear: accelerating inflation and depreciation of the pound in the market."

Comments on Lebanon's sharply falling tax revenues in L'Orient Today, 5 Jan 2023

Dr. Nasser Saidi's comments on Lebanon's sharply falling tax revenues were published in L'Orient Today, as part of an article titled "[Rate of Lebanon's state revenues among lowest globally](#)", published on 5th January 2023.

Comments are highlighted below:

The state's tax base is the country's shrinking economy. There

is less income and profit available for taxation than previously in an economy that is less than half its pre-crisis GDP. The state is highly reliant on a VAT that brings in less money as consumption falls dramatically.

“A major reason for the decline in government revenue is that Lebanon’s tax system does not adjust to inflation,” former economy minister and central bank vice governor Nasser Saidi told L’Orient Today. By way of example, he cited customs.

Prior to Dec. 2022, customs duties – a major component of state revenue – were fixed at the LL1507.5 exchange rate, leading to a more than 95 percent reduction in the real value of state revenues since Oct. 2019 as the lira depreciated. In December, customs were converted to LL15,000 per dollar; roughly a third of the real lira value of the import at the current parallel market rate.

Saidi said that, as part of overall reforms, Lebanon needs to adjust its tax system to protect revenues from inflation. “For example, the so-called ‘customs dollar’ should be abolished and tariff rates should apply to the foreign currency value of the goods and [be] paid in foreign currency,” he said.

“All taxes will have to be adjusted for inflation so that [the] government has revenue to cover core spending,” Saidi added.

The 2022 budget, published on Nov. 15, 10 and a half months into the year, converted a number of taxes and fees to foreign currencies, such as consular fees, port fees and airport fees, as well as some capital gains and interest income taxes.

Other factors that have driven the sharp decrease in revenue include increased tax evasion amid a growing cash economy and less effective tax administration, as well as less revenue from taxes on bank interest as deposits decline.

Saidi called the state's ability to collect taxes "sharply impaired" and said anecdotal evidence suggests tax evasion has "substantially increased."

Comments on Inflation in Syria and the collapsing pound in Associated Press, 5 Jan 2023

Dr. Nasser Saidi's comments on inflation in Syria and the collapsing pound were part of an Associated press article titled "[EXPLAINER: Why has Syria's economic crisis hit a new low?](#)". The article was published on 5th January 2023.

Comments are highlighted below:

Apart from years of war, sanctions and widespread corruption, Syria's economy has gone through a series of shocks since 2019, beginning with the collapse of Lebanon's financial system that year.

"Given the open borders between Syria and Lebanon and both of them (being) increasingly cash based economies," their markets are inextricably linked, said Nasser Saidi, a former Lebanese economy minister. The currency collapse and removal of subsidies in Lebanon has driven devaluation and higher prices in Syria, he said.

Comments on “Was Lebanon the world’s biggest Ponzi scheme?” in Arab News, Aug 9 2022

Dr. Nasser Saidi’s comments appeared in an Arab News article titled [“Was Lebanon the world’s biggest Ponzi scheme?”](#) published on 9th August 2022.

The comments are posted below.

“Lebanon is the greatest Ponzi scheme in economic history,” Nasser Saidi, a Lebanese politician and economist who served as minister of economy and industry and vice governor for the Lebanese central bank, told Arab News.

Unlike financial crises elsewhere in the world through history, Saidi said the cause of Lebanon’s woes could not be pinned to any single calamity that was outside the government’s control.

“In Lebanon’s case it was not due to an actual disaster, not due to a sharp drop in export prices in commodities, it is effectively man-made.

“The World Bank talks about Ponzi finance, and they are right to point to the fact that you have two deficits over several decades. One was a fiscal deficit brought on by continued spending by the government more than revenues.

“The problem was that the government’s spending did not go for

productive purposes. It did not go for investment in infrastructure or to build up human capital. It went for current spending. So, you didn't build up any real assets. You had a buildup of debt, but you didn't build up assets in proportion or to compare to the borrowing that you had."

Since the end of the civil war, Lebanon should have been undergoing a period of reconstruction. However, spending on such infrastructure projects remained low, with the money seemingly siphoned off elsewhere.

"The infrastructure that was required – electricity, water, waste management, transport, and airport restructuring – was neglected," said Saidi.

But it was not just material infrastructure of this kind that was neglected. Institutions that would have improved and solidified governance, accountability, and inclusiveness were also ignored, leaving the system vulnerable to abuse.

"Whenever you go through a civil war, you need to think about the causes of the war, and much of it was due to dysfunctional politics, political fragmentation, and the break-up of state institutions," said Saidi.

"There was no rebuilding of state institutions and because of that, budget deficits continued, and a very corrupt political class began owning the state. They went into state-owned enterprises and government-related enterprises and considered that all state assets are their possessions and instead of possessions of the state."

Lebanon's "Ponzi scheme" was also driven by current account deficits and the overvalued exchange rate caused by the central bank policy of maintaining fixed rates against the dollar.

In economics, said Saidi, this is what you called the "impossible trinity," meaning that a state could not

simultaneously have fixed exchange rates, free capital movements, and independence of monetary policy.

“If you peg your exchange rate, you no longer have any freedom of monetary policy. Lebanon’s central bank tried to defy the impossible trinity and tried to maintain an independent monetary policy at a time in which the exchange rate was becoming more and more over-valued.”

The World Bank report calls for a comprehensive program of macro-economic, financial, and sector reforms that prioritize governance, accountability, and inclusiveness. It says the earlier these reforms are initiated, the less painful the recovery will be for the Lebanese people. But it will not happen overnight.

“Even if the reforms and laws were passed, it will take time to recover and to restore trust,” said Saidi. “Trust in the banking system, in the state, and in the central bank has been destroyed. Until that trust is rebuilt, Lebanon will not be able to attract investment and it will not be able to attract aid from the rest of the world.”

And although Lebanon held elections in May, propelling several anti-corruption independents to parliament, Saidi doubted their influence would be enough to drive change.

“Some 13 new deputies entered parliament, but they are unlikely to make the changes that are required,” he said. “Politically, business continues as usual. There is a complete denial of reality.”

Comments on “SPACs may reshape Gulf financial markets” in Arab News, Feb 13 2022

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[SPACs may reshape Gulf financial markets](#)" published on 13th February 2022.

The comments are posted below.

“SPACs also allow for diversification in listed sectors, which are too concentrated on banks, real estate, and telecoms,” former chief economist of the DIFC business district Nasser Saidi told Arab News. “They will bring support for startups, especially those in disruptive sectors and later-stage growth companies.

“Target companies will certainly include promising technology ones, financial technology firms, the media industry, and health and education, as well as renewable energy and clean tech.”

Driven by strong liquidity and high technology sector growth, SPACs have boomed recently. There were 613 listings around the world totaling \$145 billion in 2021, compared to \$80 billion for 247 SPACs the year before, according to figures from the consultancy Nasser Saidi & Associates.

Another problem is that, often, SPAC cash can spend a long time looking for a home. “If you look at the 2021 cycle, 82 percent of 2021 SPACs are still searching for deals and only 3 percent of the SPACs realized their deals,” Saidi added.

SPACs also face a shifting financial environment as central banks tighten global monetary policies to battle inflation. The fact that regional economies will profit from spiking oil prices does not necessarily mean that this cash will be injected into SPACs, but instead be used to buy into government initial public offerings, Saidi pointed out.

“The process in Gulf Cooperation Council countries will be more institutionalized, given that regulatory frameworks will look at the US example and avoid mistakes that were done there.”

Saidi said: “SPACs’ future remains promising because the region has many young dynamic companies. SPACs will fill the gap, given the under-developed venture capital and private equity sector in the region.”

Interview with the Economy Middle East magazine on diverging Middle East growth, 1 Jan 2022

Dr. Nasser Saidi was interviewed about his views on growth prospects in the Middle East and North Africa region. His comments were published in the article titled [“At dawn of 2022, MENA pulled in diverging directions”](#) in the Economy Middle East magazine, released on 1st January 2022.

The comments are posted below.

“Oil exporters in the region faced a double whammy with an initial period of falling oil prices and the direct negative impact from the pandemic,” said Nasser Saidi, a leading economist and the founder and president of Nasser Saidi & Associates. “The pandemic resulted in fiscal, monetary and macro stimulus: As oil prices remained low, countries with sufficient fiscal buffers [mainly the GCC, and Egypt to a lesser extent] were able to extend funds to vulnerable segments of the population and affected sectors.”

Saidi added that several countries had to tap into the international markets to get support. “The main challenges [in 2021] continued to be the pace of recovery and unemployment levels, poverty and inequality levels, while headline and food inflation are creeping up,” he said.

Countries that rely on tourism are witnessing a slower recovery than others and unemployment is higher compared to pre-pandemic levels, with some groups, namely women and youth who have jobs in the informal sectors, having suffered a great deal more. In addition, as global food prices continue to rise, inflation has hit oil importing nations much harder.

On the other hand, although oil exporters have benefited from the uptick in oil prices and the OPEC+ stance on a gradual increase in production levels, Saidi said some states such as Kuwait and Oman need to carry out extensive fiscal reforms in the near term for fiscal sustainability.

He pointed out that even among oil-producing countries, those that were able to roll out vaccinations more rapidly were better able to manage recoveries.

“Non-oil sectors are now supporting economic recovery in the GCC: PMIs are on an expansionary path with high consumer and business sentiment. Given the increase in oil prices, both the fiscal and current account balances improved this year.

However, for some GCC countries, government debt as a share of GDP has increased and will continue to remain higher compared to the pre-pandemic era,” Saidi added.

Furthermore, a steady stream of reforms geared to attract expats and foreign firms have been beneficial for Saudi Arabia and the UAE.

Despite the fact that some oil importing nations rely heavily on tourism, especially international tourists, some have seen better growth over in the recent period as compared to others. Egypt, for example, has been implementing reforms and the IMF program over the past few years, which have helped it mitigate the impact of the pandemic.

In addition, labor market reforms such as removing barriers to labor mobility, reducing and removing payroll taxation will also be pivotal for near-term recovery and inclusive growth.

“Remittances have been a boon for many labor-exporting nations – 2021 has seen a rise in remittance levels to countries in the MENA region [with Lebanon and Jordan benefiting],” Saidi said.

According to Saidi, the GCC economies, supported by the rise in oil production and hydrocarbon prices, will continue to see growth between 4% and 4.5% in 2022. Meanwhile, although growth in the non-oil sector will ease, it will still remain significant. Still, much depends on how they adjust to the new Omicron variant and its impact on international tourism.

“I expect that the liberalization and reform measures carried out by the UAE and Saudi Arabia [the two biggest economies of the Arab world], along with mega-projects in Saudi Arabia and Qatar will lead to higher non-oil growth rates with positive spillover effects on the labor-exporting, non-oil countries through higher trade, FDI and capital investment,” Saidi said.

As for the outlook for oil importing states, Saidi expects

disparate recovery rates will continue into 2022, especially given large gaps in the pace of vaccinations and the impact of the new variant, with growth ranging between 3.5% and 4.5%.

“With higher inflation amid fiscal and current account balances still in the red, these states need to have in place supportive policies for poor and vulnerable segments of the population,” Saidi said, referring to strengthened social protection and cash transfers for the extremely poor. He added that the countries would also have to adopt policies supporting the sectors that were directly affected by pandemic restrictions such as tourism and hospitality.

“Large external financing needs will make these countries more vulnerable to tightened financial conditions resulting from monetary tightening in the US and Europe,” Saidi cautioned.

Saidi, meanwhile, gave important recommendations for Arab oil-exporting and oil-importing countries alike. “First and foremost, policy support initiated during the pandemic needs to be withdrawn gradually. Countries like Bahrain and Oman [with higher levels of government debt] are anticipating an increase in non-oil revenues from 2022 [given VAT],” he said.

Saidi emphasized that it was important to continue with labor market reforms, including granting long-term residency visas, attracting a skilled workforce, promoting gender equality measures as well as fiscal consolidation efforts, and reforming distorting and inefficient subsidies. Added to these are the introduction of structural reforms for increased regional and international economic integration, new trade and investment agreements with China and Asian trading blocs for greater economic diversification, attracting FDIs and participation in global value chains.

Comments on the depreciation of the Lebanese pound on Zawya (Arabic), 11 Jan 2022

Dr. Nasser Saidi's comments on the depreciation of the Lebanese pound appeared in an article on Zawya dated 11th January 2022, titled

تدهور الليرة اللبنانية: 4 أسباب والوضع واحد

The comments are posted below:

أسباب أساسية تقف وراء التدهور الأخير في قيمة الليرة. وهي 4 "أولاً قيام المصرف المركزي بشراء كثيف للدولار الأمريكي في السوق السوداء وضح الليرة اللبنانية في السوق،" وفقاً لتصريحات أدلى بها ناصر السعيد وهو محلل مالي ووزير لبناني سابق لموقع زاوية عربي.

وتابع السعيد: "ثانياً قرار المصرف المركزي مضاعفة معدل تحويل (الودائع بالدولار) من 3,900 ليرة الى 8,000 ليرة يعني زيادة كبيرة في امدادات الليرة في سوق العملات الأجنبية وثالثاً غياب أي خبر إيجابي يتعلق بالإصلاحات والمفاوضات مع صندوق النقد الدولي يعني أن الناس تتوقع تدهور أكبر لليرة وارتفاع في معدل التضخم وهو ما يؤدي بالناس الى محاولة التخلص من أموالهم المقومة بالليرة ما يؤدي الى تدهور أكبر لليرة وارتفاع في معدل التضخم. والسبب الرابع هو أن سوق العملات الأجنبية ضعيف جداً ويفتقر الى السيولة."

Comments on "2021: Year in

Review” in Arab News, Dec 30 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[2021 Year in Review: New coronavirus variant, inflation test strength of global economic recovery](#)" published on 30th December 2021.

The comment is posted below.

Nasser Saidi, Middle East economic expert, said: "Unless the vaccination pace improves drastically (especially in low-income nations) and the new variant is rapidly brought under control, the global economy could see brakes applied on growth at least in the first quarter of next year."

Comments on Lebanon & the IMF in France-24, 29 Dec 2021

Dr. Nasser Saidi's comments were part of an Associated press article. Titled "[Slow progress as Lebanon awaits IMF economic deal](#)", the article was published on 29th December 2021, in many newspapers including France 24.

Former vice governor of the central bank, Nasser Saidi, suggested the IMF would want to examine the audit, but Chami said no demands had yet been made.

"We don't know if a forensic audit, or any audit, will be part of a potential IMF program," Chami said.

A potential IMF agreement will ultimately bring in other donors, such as the World Bank and Gulf Arab states, who may demand it as a precondition for support. "We need to understand what is going on inside the central bank," Chami said. "There is a total lack of transparency."

For Saidi, a key question is the actual value of central bank reserves and the real value of financial sector losses.

"There seems to be no willingness to undertake a forensic audit," he said, but added that the "bottom line is the IMF will be looking -- before anything -- for promises of good governance."

Comments on Lebanon's financial meltdown in The Public Source, 3 Dec 2021

Dr. Nasser Saidi was interviewed by The Public Source for the article titled "[While We Try to Survive Its Last Scheme, Lebanon's Banking Sector Plots Another Grand Theft](#)". His comments appear in the article published on Dec 3rd, 2021 and is copied below.

Had the Diab government not defaulted on the Eurobond maturities, "we would have had a rapid depletion of foreign currency reserves, and the crash would have been even greater," according to Nasser Saidi, a former minister of

economy and industry (1998-2000) and vice governor of BDL between 1993 and 2003.

By scapegoating the Eurobond default, the bankers “are trying to evade responsibility for the biggest historical mistake ever made in terms of central bank policy, monetary policy and banking policy,” Saidi added in an interview with The Public Source.

According to Saidi, the trigger for the financial meltdown was the banks’ “unprecedented and uncalled for” decision to shutter for two weeks in late October 2019, in the wake of popular protests. “There was no proximate economic or financial reason for shutting down the banks,” and it “automatically created a crisis of confidence, and it came as a confirmation to the general public that things were not as sound as BDL was saying.” As soon as the banks reopened, “the first thing people did was rush to get their deposits.”

“The Eurobonds narrative has two parts: one is to say that [the cause of the crash] was the government defaulting on the Eurobonds; the second is to say that [because the banks] were financing the government, then the government should compensate them by giving them state assets ... The Eurobonds narrative is all about state assets... This is what [bankers] are trying to do with the help of Mikati.” This explanation by Nasser Saidi resonates with the content and spirit of the ABL plan.

By privatizing state assets, the plan would essentially convert debt into state assets, allowing BDL and commercial banks “to clean off their balance sheets while they entice foreign firms and investors to provide the financing to ‘revive’ these assets,” added Saidi. The message to international donors is: “Let’s look at the power sector, transport sector, water, airports, etc... Let’s buy them on the cheap. You can provide the financing.”

How should GCC economies manage public finances, Opinion Piece in Gulf Business, Nov 2021

This article appeared in Gulf Business online on 1st Nov 2021, and can be accessed [online](#).

How should GCC economies manage public finances

Governments can use sovereign asset liability management as a financial tool to manage public sector balance sheet risks

The Cop26 climate talks in November 2021 will confirm global commitments to counter climate change and move to a sustainable future.

At the core of the response is the energy transition away from hydrocarbons, the main source of wealth for GCC countries. While there is much focus on the energy system transition, part of the challenge for GCC countries is how they will manage their wealth and public sectors, assets and liabilities – much of which depend on hydrocarbons. That will require efficient public fiscal and financial management to ensure sustainability through a tool known as Sovereign Asset

Liability Management (SALM).

At present, GCC governments run large non-hydrocarbon fiscal deficits despite major initiatives in recent decades to diversify their economies.

Governments have set up economic zones, infrastructure investments, state-owned enterprises (SOEs) and government-related entities (GREs). They have moved some public finances away from hydrocarbons through reforms to subsidies, public utilities pricing, and expenditures, along with the introduction of value-added tax. Despite these changes, the non-hydrocarbon primary balance as percent of non-oil GDP remains negative for all GCC countries.

Along with the fiscal dependence on hydrocarbons, GCC governments have future liabilities.

On the positive side of the ledger, decades of rapid economic growth have resulted in the accumulation of large international reserves and financial investments, a build-up of real assets and companies.

At the same time there has also been an increase in debt, contingent liabilities, and generous social programmes that governments have to finance. Adding to that burden is the size and extensive role of state-owned entities (SOEs) and government-related entities (GREs) in GCC economies.

In some cases, the liabilities of SOEs and GREs are estimated to constitute over 30 per cent of GDP, which has an effect the overall soundness of public sector balance sheets.

Financing these liabilities could be difficult during the energy transition as it implies lower prices in real terms for oil and gas.

GCC countries run the risk of an earlier than expected depletion of their net financial wealth. Their hydrocarbons

and associated industries could become stranded assets.

These countries could also find it difficult to draw upon their sovereign wealth funds, which have stabilised government accounts during times of volatile commodity prices. Asset accumulation in these funds flattened following the drop in oil prices end of 2014, leading to a drawdown in reserves.

Over the long-term, as the IMF has warned, the net financial wealth of GCC countries could turn negative by 2034, turning the region into a net borrower.

To manage these financial risks, GCC governments should adopt SALM to handle the financial aspects of the energy transition. This system integrates multiple public assets, future revenues, and cash reserves, along with public debt and contingent liabilities into one sovereign balance sheet. That allows governments to manage liquidity, risks, savings, and commitments, to ensure macro-fiscal stability and long-term sustainable public finances.

They will be able to manage resources more adroitly, leading to a smoother transition away from hydrocarbons.

Denmark and New Zealand, for example, have implemented a comprehensive SALM framework successfully. They have improved their risk, fiscal and debt management significantly. They have also ensured intergenerational equity so that future generations do not pay for today's spending. Their finances are now more resilient to shocks, and there is greater efficiency in the use of government assets, quality in the provision of government services, and wealth management.

To implement SALM, GCC governments will need an effective governance framework. They should institute clear mandates for the different public sector entities so that their data is transparent and should encourage cooperation, centralisation of risk management, and market-oriented valuations of assets and liabilities.

They should start their SALM journey by identifying the assets and liabilities of the public sector. That means creating a full register of public assets, followed by the collection of data and the construction of a comprehensive balance sheet. Then, they should develop dynamic tools that connect to each other, allowing a complete overview. That means policy making decisions that are evidence-based, impactful, equitable, and those that minimise risk.

The result will be an effective policy making and leadership decision engine.

In essence, the public sector would emulate the sound financial management tools used by modern private corporations in managing their balance sheets and risks.

As GCC countries move away from hydrocarbons, they will need SALM as a macro-economic and financial tool. SALM will allow them to manage risks in the public sector balance sheet and decide on policy tradeoffs during the move toward a sustainable future, ensuring that future generations inherit sound public finances.

The article is written by Nasser Saidi & Talal F Salman

Nasser Saidi is an economist and former minister and Central Bank vice governor in Lebanon, and Talal F. Salman is a principal with Strategy&

Comments on Saudi mega projects in Arab News, Oct 13 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Six giga-projects that epitomize Saudi Arabia's \\$7 trillion development plan](#)" published on 13th October 2021.

The comments are posted below.

Nasser Saidi, former economics minister of Lebanon, now Dubai-based economics consultant, said: "These projects need to be seen in the context of the broader objective of undertaking a structural transformation of the Saudi economy.

"Faster and deeper economic diversification is imperative for sustainable job creation for its youthful population, and to address the challenge of the global energy transition away from fossil fuels, Saudi's main source of income and exports.

"By investing in new sectors (be it tourism, the digital economy or renewables) and in regional economic development on its western seaboard, Saudi Arabia is moving away from over-reliance on oil and redefining the image of the country.

"This is why gigaprojects continued (and related contracts were signed), even during the pandemic, while fiscal tightening was underway.

"Foreign investors can take some comfort from Saudi's promising high-growth potential (for example in the previously untapped tourism, media and leisure sectors) and associated returns on investment.

"But these are all long-term, long-gestation projects. That is why liberalization measures (full foreign ownership, facilitating long-term residence, reforming labor markets, allowing competition, protecting property rights, insolvency and bankruptcy laws) are important to attract FDI.

"Foreign investors can also take comfort from the fact that the gigaprojects are political standard bearers; they must be

seen to be successful and they will continue to be funded from PIF, SCB reserves, tapping debt markets, etc. Notably, they will be much easier to do currently when oil prices are high at \$80-plus.”

Comments on Lebanon's economic & political crisis in The Telegraph, Oct 9 2021

Dr. Nasser Saidi's comments appeared in an article in The Telegraph titled "[Lebanon on life support](#)" on 9th October 2021.

The comment is posted below.

Former economy minister Nasser Saidi has said that "Lebanon is that rare combination of an experienced Kleptocracy and a Kakistocracy" – ruled by an elite that is both corrupt and incompetent – that pulled off the "greatest Ponzi scheme in history".

Comments on the Expo 2020 in

Arab News , Sep 29 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[How investment in Expo 2020 will pay off for UAE economy, burnish Dubai brand](#)" on 29th September 2021.

The comments are posted below.

Independent economists are taking a rather more cautious view of the long-term economic legacy.

"The 25 million expo visits may be a tad too optimistic during an ongoing pandemic," Nasser Saidi, a regional economics expert and Lebanon's former economy and industry minister, told Arab News.

But he recognizes the achievement of staging the event at all after such an unprecedented slowdown in travel, trade, and tourism during 2020.

"Little did anyone envisage the scenario within which the expo would eventually take place," he said. "Expo 2020 will be the first global mega-event to be held permitting physical entry of visitors, after the Tokyo Olympics went ahead without spectators.

"A successfully run event will boost Dubai's and the UAE's image as a global frontrunner in safely hosting large-scale events during the pandemic era. The expo will act as a stepping-stone for potential investors to buy into Brand Dubai and move businesses and families into the country."

Staging such a huge event is a costly and demanding exercise, although no detailed up-to-date figures on the actual cost are available from the organizers.

"Hosting such mega-events is usually found to be a strain on country or city budgets," Saidi said.

“The economic case for hosting such events is based on the increase in economic activity, the rise in tourists and spending, building the intangible Dubai brand, as well as other qualitative and social impacts, like strengthening trade and business with global counterparts.

“Plus the feel-good factor, which is more important during a pandemic when trying to return to normal.”

Panelist at the AUB OSB SME Webinar Series “The Region’s Economic Outlook”, 6 July 2021

The webinar titled “The Region’s Economic Outlook” was organised by the Olayan Suliman School of Business (OSB) Executive Education at the American University of Beirut (AUB) on 6th July 2021.

The panel, which included Dr. Nasser Saidi & Dr. Saade Chami, was moderated by Mrs. Sara Abdul Samad, Board Member at the Lebanese Business Council in Kuwait.

Watch the webinar below (in English):

Comments on the ADNOC IPO in Arab News, Sep 6 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[ADNOC IPO could raise \\$750m as one of UAE's largest ever offerings](#)" on 6th September 2021.

The comments are posted below.

Nasser Saidi, a regional economics and markets expert, told Arab News: "The plans to float part of the drilling unit is just part of the current trend of privatizing some of their fossil fuel assets. "Listing like these and future privatization of fossil fuel assets using the capital markets could massively increase the size and transform the UAE's markets into a global centre for energy and its financing."

Comments on Afghanistan's uphill economic battle in Arab News, Aug 23 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Deprived of foreign aid, Afghanistan's new Taliban rulers face an uphill economic battle](#)" on 23rd August 2021.

The comments are posted below.

"Macro-economic stability cannot be maintained in the short term. But in the medium to long term, if there is a political settlement and relations are re-established with the US, Europe and the Gulf states, they can begin to stabilize it,"

Nasser Saidi, the Middle East economic expert, told Arab News.

Saidi, who has served as economics minister of Lebanon and vice governor of the Lebanese central bank for several terms, highlighted the likelihood that China and other non-Western countries would see economic and strategic advantages in Afghanistan under Taliban rule – if stability can be achieved.

On economic administration experience:

“They have controlled the trade routes to other countries for some time, which allowed them to finance the Taliban movement. But that will not be enough on its own to finance the entire government,” Saidi said.

“I anticipate agreements with China to exploit Afghanistan’s natural resources. In that case, China will benefit from the debacle of the US withdrawal,” Saidi said.

“It will not come in the form of aid, but in investment in infrastructure and exploitation of natural resources. If Afghanistan is linked to the Belt and Road Initiative, the economic situation could improve dramatically,” he added.

Arabian Gulf countries might also be persuaded to take part in the rebuilding of the country. “The Gulf countries don’t want to see a destabilized Afghanistan, and might be interested in the natural resources, too,” said Saidi, pointing to the prominent role already being played by Qatar in Afghanistan’s affairs.

Comments on Saudi equity market performance in Arab News, Jul 26 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Saudi Arabia tops emerging markets league table](#)" on 26th July 2021.

The comments are posted below.

"Saudi Arabia's market outperformance and strong corporate valuations reflect its sustained course of economic transformation, along with liquidity boosting by the central bank," financial expert Nasser Saidi told Arab News.

"Economic and structural reforms, along with social liberalization policies, including opening up foreign markets to foreign investors, allowing for 100 percent foreign ownership in certain sectors, resulted in massive investment inflows."

He highlighted the effect of the "policy-shattering" initial public offering of Saudi Aramco, and the steady stream of market flotations continuing this year, as a key feature of the Kingdom's progress since the pandemic began.

Comments on the IMF's concluding statement of

Article IV Mission to Saudi Arabia in Arab News, May 9 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Positive IMF assessment seen as vote of confidence in Saudi reform strategy](#)" on 9th May 2021.

The comments are posted below.

Independent economists were not surprised by the IMF's positivity. Nasser Saidi, former chief economist at the Dubai International Financial Centre (DIFC), told Arab News: "The country has been proactive in rolling out a spate of reforms despite the pandemic and lower oil prices. The public health system has proven to be resilient."

Saidi, the former DIFC chief economist, said: "Saudi Arabia's fiscal prudence has to be complimented, in addition to the efficient tapping of debt markets and structuring of key energy infra structuring to finance deficits."

According to Saidi, the pace of continued growth depends on global oil markets and the future pattern of the virus, but the signs are as good as the IMF's conclusions.

"Saudi Arabia's growth prospects with continued macroeconomic stability and prudent fiscal stance will encourage increased domestic and foreign investment in addition to housing investment and consumption by households," he said.

Comments on Saudi Arabia's

Shareek investment package in Arab News, Mar 31 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Markets jump on Shareek investment package](#)" on 31st March 2021.

The comments are posted below.

Nasser Saidi, a Middle East economics expert, said the intention was to "jump start" the Saudi economy in the wake of the recession caused by the COVID-19 pandemic.

"This would be a massive increase in investment that will likely modernize and upscale infrastructure, including digital. As proposed, it should be strongly supportive of non-oil growth, increase overall productivity and lead to job creation for Saudi's young population," he added.

Saidi added that the move from dividends to investment could be a positive one: "This switch is likely to increase the efficiency of investment since SABIC, Aramco and other entities would aim to earn a market return on their investment. This would cut waste and inefficiencies, an overall gain to the economy."

He also highlighted the impact the Shakeel strategy could have on persuading Saudi citizens to invest directly at home. "This revival of investment and successful program would attract back a fraction of the Saudi private wealth held offshore."

Comments on Lebanon's ongoing

economic turmoil in Arab News, Mar 13 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Prolonged crisis of governance leaves Lebanon adrift and isolated](#)" on 13th March 2021.

The comments are posted below.

...the latest lockdown has all the trappings of the final straw.

"None of this is surprising," Nasser Saidi, Lebanon's former economy and trade minister, told Arab News.

"Income is down. GDP is down by at least 25 percent. We're having inflation in excess of 130 percent; general poverty is over 50 percent of the population; food poverty is over 25 percent of the population; unemployment is rapidly increasing; and thousands of businesses are being shut down.

"All of this is coming to the fore and at the same time we have a lockdown. It was a very stupid decision the way it was done, to lock Lebanon down, because it prohibits people from even being able to go and get their groceries, their food and necessities. And then it meant also shutting down factories and manufacturing.

"If you get sick, you can't even get to a hospital or afford a hospital. Hospitals are full now due to COVID-19. You have had a series of very bad decision-making and policies, and Lebanon is paying the price for it. This is going to continue. It is not going to go away. In my opinion, we are seeing just the tip of the iceberg."

Comments on GCC's citizenship reforms in Arab News, Feb 24 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Could citizenship for talented foreigners and investors be the GCC's game changer?](#)" on 24th Feb 2021.

The comments are posted below.

"The UAE is very much en route to becoming a multi-ethnic, multi-religious, multicultural country and it is certainly taking all the steps to make that happen," Nasser Saidi, a Lebanese politician and economist who previously served as minister of economy and industry, told Arab News.

"The new citizenship law goes very much in this same direction. Previously, you were just a visitor here in one form or another. You were employed, you invested, but you didn't have a long-term stake in the country. UAE citizenship for foreigners means you now have a long-term stake in the country."

One particularly enticing aspect of the policy is that it allows new UAE passport applicants to also keep their existing citizenship.

"You can retain your own home country citizenship, which is very important for many people," said Saidi. "There's a big advantage from that point of view. Importantly, what this is really saying in terms of the economic aspect is that it allows you to be a leader in the country. It will attract and maintain human capital."

...

"The first advantage is that you are creating a much more diverse multi-skilled labor force by reaching new people from other nationalities," said Saidi, referring to the liberalized UAE residency rules.

"The second, the idea is to move away from the past economic

model of the UAE, which is a 'build it and they will come' type of model to one based more on knowledge and tech-oriented development of industries. Fourth, you retain talent, and fifth, you increase foreign direct investment into the country."

Experts see many of the changes in the UAE's visa policies as a response to sluggish economic growth, low oil prices and financial blows delivered by the COVID-19 pandemic.

"Since 2015, you have had ups and downs in oil prices which has meant that continuing with the model where you are non-diversified becomes an increasingly risky proposition, particularly at a time of climate change when countries across the world are moving to reduce their carbon footprint," said Saidi.

"The market for oil over time has become smaller as countries shift towards greater energy efficiency and greater renewable energy. When you think of de-risking your fossil fuel assets, you do what Saudi Arabia did with Aramco. Everyone wants to de-risk now, which means greater diversification and moving away from high energy-intensive activities. And this has been taking place over the last three to four years."

Comments on Saudi Arabia PIF's strategy in Arab News, Jan 27 2021

Dr. Nasser Saidi's comments appeared in an Arab News article titled "[Saudi Arabia puts foot on the gas with accelerated strategy for sovereign wealth fund PIF](#)" on 27th Jan 2021.

The comments are posted below.

Regional economics expert Nasser Saidi says the announcement

was a quantum leap in the Kingdom's plans. "Saudi Arabia has put its foot on the gas of the Vision 2030 strategy with the announcement of the economic plan for the next five years, under the auspices of the PIF," he told Arab News.

"There can now be no doubting the seriousness of its intentions to push through the plan to deeply transform and diversify the economy, and society, of the Kingdom, in super-fast time."

"Lebanon Must Enact Drastic Reforms to Survive", Comments in VOANews, 25 Jan 2021

Dr. Nasser Saidi's comments from a Malcolm H. Kerr Carnegie Middle East Center event appeared in VOA News in an article titled "[Lebanon Must Enact Drastic Reforms to Survive, Economists Say](#)" published on 25th Jan 2021.

Dr. Saidi's quotes are posted below.

Lebanon has the third-highest debt-to-gross-domestic-product ratio in the world and is in need of extensive economic restructuring, Nasser Saidi, former minister of economy and trade in Lebanon, recently told the Malcolm H. Kerr Carnegie Middle East Center.

"If you look at other countries that have been in crisis – Greece, Argentina, Iceland – this goes well beyond that," he said. "We are seeing real GDP declining in 2020 by about 20 percent. It had already declined by 7 percent in 2019. So, this is a massive depression, even greater than that in the 1930s, in the Great Depression."

Saidi says billions of dollars of Lebanon's stolen assets need

to be recovered. Sanctions, such as those under the Magnitsky Act, can help, particularly if the U.S. and European Union coordinate their efforts to get Lebanon back on track. Saidi says Lebanon's corrupt politicians and business elite "need to be held accountable for what they've done" to bring the country into such a dire situation.

"They've effectively destroyed Lebanon," he said. "They're now holding Lebanon hostage. The politicians in Lebanon will feel the bite, and particularly as you start getting perhaps the beginning of a dialogue with Iran and telling Iran: 'You've got to hold Hezbollah back and let's get the reform agenda moving in Lebanon.'"

Comments on Saudi Arabia's Aramco in Arab News, Dec 16 2020

Dr. Nasser Saidi's comments appeared in an Arab News article titled ["How Saudi Aramco IPO proved a game changer in a tumultuous year for oil"](#) on 16th Dec 2020.

The comments are posted below.

"The first year was tumultuous for Aramco and oil producers," economics expert Nasser Saidi told Arab News.

"Aramco has opened the path for the privatization of GCC national oil companies and of the energy infrastructure across the region," Saidi said.

"The IPO was a game changer, part of a long-term strategy of reducing dependence on oil and gas wealth and using the proceeds to diversify the Saudi economy. Aramco is a global player, is resilient, with a clear strategy of diversifying its activities and sources of revenue, and with improved

corporate governance as a result of its public listing.”

Comments on Lebanon's economic situation in Gulf Today, Dec 6 2020

Dr. Nasser Saidi's comments appeared in an article titled "[Lebanon's politicians show lack of seriousness](#)" on Gulf Today on 6th Dec 2020.

The comment is posted below.

Former deputy governor of the central bank, Nasser Saidi, told Al Jazeera, "The bank's reliance on banking secrecy laws to withhold information was 'a pretence' and that neither the central bank nor the finance ministry had 'any willingness to undertake the forensic audit.'"

Podcast on what Biden's win means for the Middle East with The National, 12 Nov 2020

Beyond the Headlines: How will Joe Biden change US policy in the Middle East?

For nearly four years, US President Donald Trump has torn up

America's foreign policy handbook – for better and for worse. The implications, both at home and abroad, have been staggering. Most recently, the Trump administration was lauded for facilitating the Abraham Accords, the normalisation of relations with Israel by the UAE and Bahrain. In exchange, Israel's government agreed to halt its plan to annexe Palestinian territories. But Mr Trump's days in the White House are now numbered. By the end of January 2021, a new administration will take the reins of American foreign policy. This week on Beyond the Headlines, we hear from Sanam Vakil, deputy director of Chatham House's Middle East and North Africa Programme, and Nasser Saidi, Lebanon's former minister of economy and former vice governor of the Lebanese central bank, about what will change for the Middle East and what will remain the same when Joe Biden takes his seat in the Oval Office.

Listen to the podcast on:
<https://audioboom.com/posts/7728822-the-changes-in-the-middle-east-after-joe-biden-takes-office>

OR on The National's page:
<https://www.thenationalnews.com/podcasts/beyond-the-headlines/beyond-the-headlines-how-will-joe-biden-change-us-policy-in-the-middle-east-1.1110861>

<https://audioboom.com/posts/7486040-tear-gas-fireworks-and-politics-in-lebanon-s-revolution>

**Panelist at Aldic webinar
"Lebanon's financial and**

economic crisis – keys for recovery", 15 Oct 2020

The webinar titled "Lebanon's financial and economic crisis – keys for recovery" was organised by the Lebanese Association for Taxpayers' Rights (ALDIC) on 15th Oct 2020.

A writeup of the main discussion points appeared in [this news article in L'Orient-Le Jour](#).

The session focused on 4 main areas: the origin of the current economic, financial and political crisis; the approach to recovery (i.e. how to exit the crisis); enablers of the recovery and finally the tools of recovery.

Watch the webinar below (in English & French):

Are mergers the way ahead for the GCC's airline industry post pandemic? Opinion Piece in Gulf Business, Aug 2020

This article appeared in the print edition of Gulf Business, August 2020, which can be accessed [online](#).

Flying together: Are mergers the way ahead for the GCC's airline industry post pandemic?

Cost cutting measures by airlines will not suffice to stem the hemorrhage

Covid-19 has devastated the global aviation industry along with the tourism and hospitality industry. Even though domestic travel resumed in many nations (in Saudi Arabia, US

and China among others) and flying restrictions eased (e.g. intra-Europe flights, UAE's Etihad and Emirates are each flying to over 50 destinations), 42 per cent of all global commercial airlines fleet are still grounded, according to research by Cirium [*at the time of going to press*]. It is little wonder that the International Air Transport Association (IATA) forecast a 55 per cent decline in traffic levels this year. According to IATA, airline passenger revenues are expected to drop to \$241bn in 2020, a 50 per cent decline compared to 2019. This is likely to be an underestimate. Covid-19 has generated the deepest recession in advanced economies since the great depression. Its deadly waves are still unfolding in Africa and Latin America, destroying demand for travel, with a second wave likely, according to epidemiologists.

Markets have reacted accordingly, with the Refinitiv global airlines price return index down by almost half (as of July 13). By end-June, Zoom's market capitalisation of \$72.44bn was worth more than the combined \$62bn value of AA, Southwest, Delta, United, IAG (BA), Air France-KLM and Lufthansa. In May, Singapore Airlines reported its first loss in its 48-year history, while many airlines are under severe financial stress or have filed for bankruptcy (Latam, Avianca, South African and others), Chapter 11 protection, or are being restructured (Thai). The US provided a massive \$58bn to rescue its airline industry.

To survive the post-Covid-19 world, the aviation sector – including airlines, airports and aircraft manufacturers – will have to be restructured. Despite chatter about “travel bubbles” and “immunity passports”, experts question whether recovered patients are fully immune. About 33 per cent of respondents to an IATA survey (conducted in the first week of June 2020) suggested that they would avoid travel in future as a continued measure to reduce the risk of catching the virus. For now, one of the major deterrents to travel is the

quarantine period: only 17 per cent of the survey respondents were willing to stay in quarantine. If no vaccine is discovered, people will refrain from travelling abroad, with local destinations and road trips preferred. Social distancing will become the norm on flights, reducing available seat capacity by 33-50 per cent, reducing passenger load factors and raising questions about economic efficiency and financial viability.

The triple whammy of lockdowns, low oil prices and financial market turbulence has dealt a severe blow to the Middle East. The lockdown has directly impacted the UAE's trade, tourism, transport and logistics sectors, which lie at the core of its diversification strategy and its role as a global business hub. Similarly, Saudi Arabia may need to review its development plans that include tourism as a key diversification option. The travel and tourism sectors have been critical to the GCC with the sector contributing \$245bn to GDP (roughly 8.6 per cent) in 2019, while supporting nearly seven million jobs, according to the World Travel and Tourism Council. With more than half of the total GCC population consisting of internationally networked and mobile expatriates, the spillover and multiplier effects to the overall economy from the post-Covid-19 world requires structural adjustment and revision of diversification policies.

The GCC countries – with five airlines each in Saudi Arabia and the UAE, alongside Oman and Kuwait with two airlines each – have rapidly expanded their international networks in recent years. With small domestic markets and populations, the strategy has ended up subsidising foreign travellers. As international and regional travel remains highly restricted, the airlines' revenue streams have all but evaporated. According to the latest estimates from IATA, wider Middle East and North Africa (MENA) traffic is estimated to fall by 56.1 per cent year-on-year in 2020, resulting in a \$37bn loss in

net post-tax profit. This will risk over 1.2 million jobs (half of the region's 2.4 million aviation-related employment) and cause a \$66bn shortfall in contribution to the region's GDP. Saudi Arabia, Qatar and the UAE are the most exposed.

How should GCC airlines adjust to the massive loss of revenue?

Like other airlines globally, Emirates, which expects at least 18-months for a recovery of travel, has grounded much of its fleet, placed employees on unpaid leave, cut the salaries of its workforce by up to a half, and initiated job cuts to reduce its operating costs of some \$23bn. The CEO of Qatar Airways disclosed an estimated 55 per cent drop in revenues from last year, and stated that about 20 per cent of its workforce would be cut. Job losses in Saudia are also estimated to be very steep, with the Saudi government providing support by suspending airport slot use rules for the summer season and extending licences and certifications for crew, trainers and examiners. However, the cost cutting measures by the airlines will not be sufficient to stem the hemorrhage.

The majority of GCC airlines are fully government owned. How can they support their airlines? Should the governments consider a bailout? Already, in a bid to tackle the crisis, large stimulus packages amounting to some 18 per cent of GDP are being rolled out across the GCC, including a combination of fiscal measures along with central banks' monetary and credit packages. But with oil revenues accounting for more than 55 per cent of total government revenues in the UAE and over 70 per cent in Saudi Arabia and Bahrain – according to the IMF – the drop in crude prices is being felt strongly. And with the decline in other revenues (including VAT, taxes and fees), a bailout for the airlines – while supportive of the sector – would imply a massive increase in budget deficits. The GCC cannot afford a bailout of their airlines, given the impact of Covid-19 and oil prices on budgets, with the IMF forecasting 2020 average deficits of 10.5 per cent for the

region.

The case for mergers

The alternative and better policy for adjustment is through a combination of consolidation, downsizing and mergers. The UAE, Saudi and other countries should consider merging their airlines, which would achieve large cost savings and optimise revenue streams. Given that the governments fully-own or control the airlines, mergers and consolidation allows for a smoother and less costly adjustment process: no anti-trust considerations, labour disputes or having to realign cultural differences.

The economic rationale behind mergers is multi-faceted: it allows for (a) economies of scale: given that the airlines' functions and operations (including back office functions, maintenance and support services etc) are largely identical, as are their Airbus and Boeing fleets; (b) cost reductions from the rationalisation of networks – Etihad and Emirates fly to more than 100 destinations in common, leading to cannibalisation and costly competition. A merger would reduce redundant flights and increase passenger load factors while optimising route planning and reducing competition for other passenger and cargo services; (c) more effective and intensive utilisation of existing fleets and airports; (d) scaling down to increase productivity; (e) phasing out airport expansion plans by avoiding duplication of services.

The bottom line is that a restructuring and merger of the flagship carriers within the GCC nations and their low-cost airlines would achieve substantial overall cost savings, strengthen the combined groups, make the merged airlines regionally and internationally more competitive and avoid duplication of costly bailouts at a time when the region lacks the fiscal space.

The aviation industry, with its massive investments in airports, airlines, transport and logistics, has been at the

core of the efforts of the GCC countries to diversify their economies through tourism, hospitality, trade and infrastructure services. Covid-19, low oil prices and the global recession are threatening the viability of these diversification strategies. Structural reforms (such as airline mergers and consolidation) and economic policy readjustment will be required for a sustainable post-coronavirus future. The current crisis poses an unprecedented opportunity for consolidation and rationalising of government spending, while also reviewing the structure of state-owned enterprises and government-related entities.

COMMENT

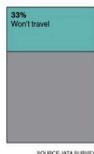
Nasser Saidi
 Founder and president of
 Nasser Saidi & Associates

Flying together

Are mergers the way ahead for the GCC's airline industry post pandemic?

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Wary travellers
 A third of respondents suggested that they would avoid travel to reduce the risk of catching the virus



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THE TRIPLE WHAMMY OF LOCKDOWNS, LOW OIL PRICES AND FINANCIAL MARKET TURBULENCE HAS DEALT A SEVERE BLOW TO THE MIDDLE EAST

To survive the post-Covid-19 world, the aviation sector - including airlines, airports and aircraft manufacturers - will have to be restructured. Despite chatter about "travel bubbles" and "immunity passports", experts question whether recovered patients are fully immune. About 33 per cent of respondents to an IATA survey (conducted in the first week of June 2020) suggested that they would avoid travel in future as a continued measure to reduce the risk of catching the virus. For now, one of the major deterrents to travel is the quarantine period: only 17 per cent of the survey respondents were willing to stay in quarantine, if no vaccine is discovered, people

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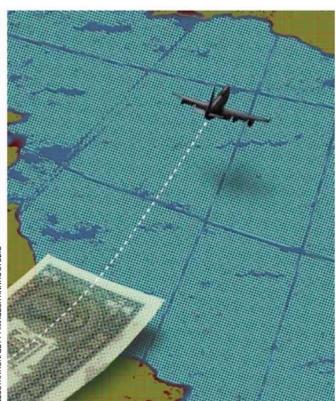


ILLUSTRATION: GETTY IMAGES/PANIC STUDIO

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deficits. The GCC cannot afford a bailout of their airlines, given the impact of Covid-19 and oil prices on budgets, with the IMF forecasting 2020 average deficits of 8.3 per cent for the region.

THE CASE FOR MERGERS

The alternative and better policy for adjustment is through a combination of consolidation, downsizing and mergers. The UAE, Saudi and other countries should consider merging their airlines, which would achieve large cost savings and optimise revenue streams. Given that the governments fully own or control the airlines, mergers and consolidation allows for a smoother and less costly adjustment process: no anti-trust considerations, labour disputes or having to realign cultural differences.

The economic rationale behind mergers is multifaceted: it allows for (a) economies of scale given that the airlines' functions and operations (including back office functions, maintenance and support services etc) are largely identical, as are their Airbus and Boeing fleets; (b) cost reductions from the rationalisation of networks - Etihad and Emirates fly to more than 100 destinations in common, leading to cannibalisation and costly competition. A merger would reduce redundant flights and increase passenger load factors while optimising route planning and reducing competition for other passenger and cargo services; (c) more effective and intensive utilisation of existing fleets and airports; (d) scaling down to increase productivity; (e) phasing out airport expansion plans by avoiding duplication of services.

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The aviation industry, with its massive investments in airports, airlines, transport and logistics, has been at the core of the efforts of the GCC countries to diversify their economies through tourism, hospitality, trade and infrastructure services. Covid-19, low oil prices and the global recession are threatening the viability of these diversification strategies. Structural reforms (such as airline mergers and consolidation) and economic policy readjustment will be required for a sustainable post-coronavirus future. The current crisis poses an unprecedented opportunity for consolidation and rationalising of government spending, while also reviewing the structure of state-owned enterprises and government-related entities.

COST-CUTTING MEASURES BY AIRLINES WILL NOT SUFFICE TO STEM THE HEMORRHAGE

A six-point plan to rebuild

Lebanon's economy, Article in The National, 5 Jan 2020

The article titled "A six-point plan to rebuild Lebanon's economy" appeared in The National's online edition on 5th January, 2020 and is posted below. Click [here](#) to access the original article.

A six-point plan to rebuild Lebanon's economy

Debt needs to be re-profiled, banks require a bail-in and peg to the US dollar should be abandoned

As I write this column, Lebanon is in turmoil, trying to form a government, while the economy is going through its worst crisis since its 1975-1990 Civil War. Several weeks of unjustified, panic-inducing bank closures, compounded by the imposition of de facto, illegal, capital controls, payment restrictions and foreign exchange limitations led to a liquidity crunch, a payments and credit crisis, undermining confidence in the banking sector.

In turn, these measures are generating a sharp contraction in economic activity and domestic and international trade. There is an emergence of a parallel market where the Lebanese pound has depreciated by about 30 per cent; a jump in price inflation; business closures and bankruptcies; growing unemployment and rampant poverty. The rapid deterioration of economic conditions has worsened public finances, with the minister of finance saying on Twitter that revenues are down 40 per cent, suggesting a likely budget deficit of 15 per cent for 2019 – double the government's target of 7.6 per cent of GDP.

Lebanon is suffering from decades of corruption, unsustainable

economic policies and incompetent public management. Persistent budget and current account deficits, with unsustainable Ponzi-like financing by the central bank, resulted in a sovereign debt-to-GDP ratio exceeding 155 per cent.

Not surprisingly, the price of Lebanese eurobonds have recently plummeted to historic lows, with rating agencies downgrading Lebanon's sovereign and bank debt to junk territory, while credit default swap rates – the cost of insuring against default – have shot up to 2,500, second only to Argentina.

Without rapid, corrective, policy measures, the outlook is of economic depression, growing unemployment and a sharp fall in consumption, investment and trade.

With the Banque du Liban printing money to finance the budget, the Lebanese pound will continuously depreciate on the parallel market, resulting in rapidly accelerating inflation and a decline in real wages, along with a sharply growing budget deficit due to falling revenues. As a result, financial pressures on the banking system will increase, with a scenario of increasing ad hoc controls on economic activity, imports and payments, and resulting market distortions.

Lebanon's politicians have irresponsibly aggravated the economic and financial crisis by delaying the formation of a new government. What needs to be done to address the interlinked currency, banking, fiscal, financial and economic crises, and rebuild confidence in the banking and financial sector?

1. Form a credible, independent new government

Rapidly empower a government of competent, experienced and politically-independent members that are able to confront and hold accountable an entrenched kleptocracy and its associated policymakers. The policy imperative is to develop and

implement a comprehensive, multi-year macroeconomic reform plan, including deep structural measures.

A credible and effective government will have to implement unpopular economic reforms and approach the international community for a financial package in order to avoid an extended, deep and painful recession which will be accompanied by social and political unrest.

2. Tackle subsidies and other inefficiencies

The new government should undertake a swift, comprehensive and front-loaded fiscal reform. These should sustainably reduce the fiscal deficit by cutting wasteful expenditure and subsidies, increase electricity and petrol prices to international levels, combat tax evasion and overhaul the public pension system. They should also reform and resize the public sector and implement structural reforms, starting with the massively inefficient energy sector.

Other state-owned assets and government-related enterprises, such as the Middle East Airlines, casino, airport, ports and telecoms can either be sold or managed as independent, efficient, profitable private sector enterprises.

3. Restructure public debts

Public debt (including central bank debt) will have to be restructured. Domestic Lebanese pound debt is entirely held by the Banque du Liban and local banks. A re-profiling would repackage debt maturing over 2020–2023 into new debt at 1 per cent, maturing in five-to-10 years.

Similarly, foreign currency debt should be restructured into longer maturities of 10 to 15 years, with a guarantee from a new Paris V Fund (see below), which would drastically lower interest rates.

The suggested debt re-profiling would reduce it to sustainable

levels, radically cut the enormous debt service costs now exceeding 10 percent of GDP and would create fiscal space during the adjustment period.

4. Reform the country's banks

About 70 per cent of bank assets are invested in sovereign and central bank debt. The debt restructure implies a major loss for the banks. To compensate for these losses, a bail-in by the banks and their shareholders is required, a large recapitalisation and equity injection, of the order of some \$20 billion (Dh73.45bn), including a sale of assets and investments.

The banks have been major beneficiaries of a bail out and so-called "financial engineering" operations by the BDL generating high profits, have substantial reserves and assets, as well as deep pocketed-shareholders to enable a recapitalisation and restructuring. A consolidation of the banking system will be required to restore its soundness and financial stability and the ability to support economic recovery.

5. Scrap the dollar peg

Lebanon's overvalued exchange rate acts as a tax on exports, subsidises imports and worsens the large current account deficit. To support the overvalued peg, Banque du Liban has borrowed massively from the domestic banks creating a domestic liquidity squeeze, and kept interest rates high to attract capital inflows and remittances. These policies have crowded out the private sector, depressed economic growth and increased the cost of public borrowing, aggravating the budget deficit and increasing debt levels. Lebanon needs to change its monetary policy and move to a managed flexible exchange rate regime. This starts with admitting the failure of the pegged regime and recognising the de facto devalued parallel

market rate.

6. Enter into an IMF programme

To underpin the deep reforms, Lebanon will require an Economic Stabilisation and Liquidity Fund, of some \$20bn to \$25bn, as part of a Paris V reform framework. To be credible, the policy framework should be an IMF programme, with requisite policy conditions, in order to attract multilateral funding from international financial institutions and CEDRE participants, including the EU and the GCC countries. Importantly, the programme should include a targeted Social Safety Net (via cash transfers, unemployment insurance and other methods) to provide support during the reform process and aim at lowering inequality and reducing poverty in the medium term.

The ongoing October 17 protests and revolt are a historical opportunity for Lebanon to undertake deep political and economic reforms to avoid a lost decade of economic depression, social misery, growing poverty and massive migration. The livelihood of several generations is at stake. It is time to build a Third Republic.