

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 السعيدي، 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 السعيدي، 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 التنوع 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 السعيدي "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 السعيد 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 التنويع 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.

Bloomberg's Horizons Middle East & Africa Interview, 28 Aug 2025

Aathira Prasad joined Joumana Bercetche on 28th August, 2025 as part of the Horizons Middle East & Africa show to discuss

the Egypt central bank's monetary easing cycle & outlook for the GCC economies in the global macroeconomic backdrop.

Main discussion points included the below:

Given that inflation has been easing (13.9% in Jul 2025. vs a peak of 38% in Sep 2023) and real interest rates remaining high, the CBE appears to have the leeway to go ahead with a gradual easing strategy.

The rates could go lower than 20% by end of the year, if the international financial environment becomes less volatile as a result of a reduction in the US Fed rate and the ECB maintains or reduces rates and geopolitical regional risks diminish resulting in a restoration of Suez Canal traffic and revenues.

A potential rate cut from the Fed could lower pressure on Egypt's external financing costs, reduce debt servicing costs, and support investor confidence, particularly among holders of Egyptian debt.

Egypt has been in a relatively strong position so far this year (despite lower Red Sea traffic, regional conflicts and the Gaza war): the IMF-backed reform agenda (it passed its fourth IMF review) is slowly being rolled out (including tax and subsidy reforms), supported by financing from IFIs (WB, EIB, EBRD and Chinese investment funds) and net FDI has picked up. Egypt's current account deficit has improved sharply – surging remittances (record USD 36.5bn in 2024-25), higher tourism revenues, and a jump in non-oil exports.

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

Comments on Egypt's interest rate cut in Reuters, 29 Aug 2025

Dr. Nasser Saidi's comment (posted below) on Egypt's interest rate cut and growth prospects appeared in the article titled "[Egypt central bank slashes key interest rates by 200 bps](#)" on Reuters dated 29th August 2025.

"Regional support, especially from the Gulf countries through joint ventures, sovereign wealth fund investments, and multi-billion-dollar strategic partnerships have helped the economy recover and improved growth prospects," economist Nasser Saidi told Reuters.

Comments on China-UAE relations & the Shanghai Cooperation Organisation, 11 Aug 2025

Click [here](#) to access the original article, published 11 Aug 2025; a version of this also appeared on [MENAFN](#).

SCO offers opportunities to boost UAE-China trade: UAE economist

DUBAI, Aug. 11 (Xinhua) – The Shanghai Cooperation Organization (SCO) provides “strong building blocks” to deepen the trade and economic relations between the United Arab Emirates (UAE) and China, the head of a business consultancy said.

“The majority of the trade between the UAE and the Gulf Cooperation Council (GCC) is now with Asia and China. China is the biggest trade partner, and increasingly the biggest economic partner,” Nasser Saidi, founder and president of Nasser Saidi & Associates, told Xinhua in a recent virtual interview.

The comments came ahead of the SCO summit in Tianjin on Aug. 31-Sept. 1, with over 20 countries and 10 international organizations attending. The UAE became an SCO dialogue partner in May 2023.

Saidi called for a GCC-China free trade agreement (FTA), saying it would be “transformational,” with the UAE poised to lead. He urged more SCO-related events in the UAE and highlighted energy – both fossil fuels and renewables – as the foundation for cooperation. He also pointed to potential partnerships in artificial intelligence, fintech, and smart governance.

He said the UAE and China could pursue a Comprehensive Economic Partnership Agreement as a step toward an FTA, and pointed to the need for alternative institutions like the New Development Bank and the Asian Infrastructure Investment Bank to serve as additional avenues alongside the Bretton Woods bodies, which he said “have not been very effective.”

“The SCO has been crucial in supporting political stability and economic prosperity in the Global South,” Saidi noted, adding that a visible SCO presence in the UAE or GCC could boost cooperation in energy, technology, and climate innovation.

Since its inception in China’s Shanghai in 2001, the SCO has developed from a regional organization with six members into a trans-regional organization with 10 full members, two observer countries, and 14 dialogue partners, covering over 60 percent of the Eurasian landmass and nearly half of the world’s population.

Radio interview with Dubai Eye’s Business Breakfast on UAE’s Ministry of Foreign Trade & Economic Outlook, 23 Jun 2025

Dr. Nasser Saidi spoke with Dubai Eye’s Business Breakfast team on 23rd June 2025 about the UAE adding a Ministry of Foreign Trade, if there would be any competition with Saudi Arabia for tourism & also the outlook for economic growth in the UAE.

Listen to the full radio interview at the link below (from 5:48 to 12:26):

Transcript below:

Dr. Saidi, good morning.

Good morning to you.

Dr. Saidi, a quick word first of all on the evolving situation in the region. I don't want to get drawn on political or security speculation, but a quick word on the economics, if you will.

You mentioned the energy sector, and oil prices have risen a little bit. What's surprising actually is that they haven't risen any more. So the anticipation and expectation in the markets is that most of it is already done and we can continue.

So probably the impact will be less tourism for a few weeks, but it will come back to normal. That's what the markets seem to be saying.

Dr. Saidi, thank you very much indeed for that. Now, the reason we've asked you to come on was to talk about some significant changes here in the UAE announced over the past 72 hours or so. We have a new ministry here in the UAE, a Ministry of Trade for the first time.

"Not a new minister though, Dr. Thani El-Zayoudi has been heading up trade for the UAE for some time now. First of all, your reaction to the new Ministry of Trade.

I think the important thing is that it's a strategic signalling and positioning. At a time where the rest of the world is talking about greater protectionism, tariffs, tromponomics and the rest, the UAE is saying, I'm creating this trade ministry, foreign trade ministry, and I want to open up to the rest of the world. So the strategic positioning is extremely important from that point of view.

The other thing that's important is that we need to remember that trade policy is a major tool of economic diversification.

In terms of the work that Dr. Al-Zayidi has done already with the SEPA trade deals, now we get quite excited about them in the Business Breakfast Studio and we see the impact that things like the SEPA deal with India, for example, have had over the past three years. But what's your objective assessment as an economist?

"The first point to note is that the UAE is now the most diversified economy in the GCC. Seventy-five percent of output is now non-trade. And if you look at India in particular, this was one of our biggest trade partners apart from China.

And opening up, and what Dr. Zayidi has done, is that you're opening up not only to your existing trade partners, but you're lowering barriers across the board. So amazing achievements over a short space of time. 24 SIPAs, you're going to reach easily 1.1 trillion dollars worth of trade way before 2031.

So I think very much to the credit of the Minister.

The other change that we've had, not quite as significant, is the Ministry of Economy. Now that's an existing ministry. It is now the Ministry of Economy and also Tourism.

Why the need to do that, do you think?

Well, because tourism, because first, services have become much more important for the UAE. Tourism, trade, commerce, all the rest, wholesale and retail trade are a major fraction of the economy. So focusing on tourism is also saying, I'm going to become a global hub for tourism.

"And UAE is well on its way. And importantly, I think transport and logistics, your airports, ports and facilities really make it much easier. It's one of the easiest places to

get into.

We do have, of course, emerging competition here in the UAE as a tourism hub for the Gulf region and that is in Saudi Arabia. Embryonic stages yet, but their ambitions are significant. How seriously should the UAE take Saudi Arabia as a tourism competitor?

I think they're largely complimentary. UAE is way ahead in terms of being integrated into global tourism. Saudi has obvious strengths in terms of religious tourism, environmental tourism, et cetera.

But I think they will complement each other. What Saudi and the UAE have done over the past few years is grow their soft power. Look at their hosting of international events, World Cups, et cetera, exhibitions and all the rest."

"And what you have is greater integration of transport services, air, road and rail. That will mean that you'll open up the whole market of the GCC. So I'm very positive in terms of the complementarity of the two.

And why not? If there is competition, so be it. It will mean lower prices and more attractive to tourists from across the world.

We just had a message in. Someone's correcting me, Dr. Saeedi. Aruba has written in saying, it's not the first time there's been a Ministry of Foreign Trade in the UAE.

Aruba's memory is strong. Back in 2010, she said, Her Excellency Lubna Al Qasimi was Minister of Foreign Trade.

Yes, that's true. That's true.

Thank you, Aruba, for pointing that one out. That is a good memory. Finally, Dr. Saeedi, it's almost time for the half-time report for the UAE economy in 2025, June the 23rd, almost at the end of the first half.

Most of the reports we're reading, World Bank, IMF, points to 4 or 5% growth for the UAE economy this year. What's your reading?

"I think the readings will be correct. We'll have a slowdown probably in the second quarter. It'll pick up rapidly in the third and fourth quarter.

I'm pointing to the fact that digital economy is rapidly growing, clean energy, clean technology are rapidly growing. So all the tech sectors are really going to be a major factor of growth. Take fintech, for example.

We've become a global hub of fintech. So all of that, and I really want to focus on the tech sector because I think it's really going to be an engine of growth and job creation, but more important, attracting foreign direct investment and people to come and live here. Look at the influx of people coming in for the golden visas, professional visas and all the rest.

So forget the traditional sectors, focus on the tech sectors because I think that's where we're going, e-commerce, digital trade and the like.

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.

Comments on Lebanon’s next central bank lead, FT, 26 Mar 2025

Dr. Nasser Saidi commented on the choice of Lebanon’s next central bank governor in the FT article titled “Lebanon closes in on next central bank head” published on 26th March 2025.

The full article can be accessed at: <https://www.ft.com/content/4453da90-ff34-4939-be79-b1cb060e4218>

The comments are posted below:

Nasser Saidi, a former minister and BdL vice-governor, warned

that powerful interest groups were wielding too much influence over the selection process. “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,” he said.

“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]?”

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.

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.

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 UAE-India relations in CNN Arabia, 9 Sep 2024

Dr. Nasser Saidi's comments appeared in a CNN Arabia article titled *زيارة ولي عهد أبوظبي إلى الهند.. ما الاتفاقيات؟ الاقتصادية المتوقعة؟* focusing on the UAE delegation visit to India in Sep 2024, during which discussions are expected to centre around strengthening trade and investment ties. This article was published on 9th September 2024 & can be accessed [directly](#).

Dr. Saidi's comments are posted below:

وقال ناصر السعيدي، رئيس شركة ناصر السعيدي وشركاه، في تعليقاته الاقتصادية، «من المرجح أن تتمحور المناقشات حول مواصلة CNN- تعزيز الشراكة الاستراتيجية والتكنولوجيا والخدمات المصرفية والمالية».

وقال ناصر السعيدي، «تتمتع الإمارات بميزة نسبية وخبرة في تطوير البنية التحتية الأساسية، والشبكات والأنظمة التي توفر الخدمات الأساسية، والتي تمكن وتسهل النشاط الاقتصادي، وحركة أو تخزين البضائع، والمياه، والطاقة بما في ذلك الطاقة المتجددة، والبيانات، ومراكز البيانات المستخدمة».

(Translated as:

“Discussions will likely revolve around continuing to strengthen strategic partnerships, technology, banking and financial services,” Nasser Al Saidi, chairman of Nasser Al Saidi & Partners, told CNN Business.

“The UAE has a comparative advantage and expertise in developing the core infrastructure, networks and systems that provide essential services, enable and facilitate economic activity, the movement or storage of goods, water, energy including renewable energy, data and sustainable data centers,” Nasser Al Saidi said.)

**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.

Comments on BRICS+, geo-political fragmentation and the role of the USD in CNN Business Arabia, 17 Jun 2024

Dr. Nasser Saidi's comments appeared in a CNN Arabia article titled “هل يضعف تدويل اليوان هيمنة الدولار الأميركي؟” on the BRICS+, geo-political fragmentation and the role of the USD. This article was published on 17th June 2024 & can be accessed [directly](#).

His comments are posted below:

واعتبر مؤسس ورئيس شركة «ناصر السعيدى وشركاه» ناصر السعيدى في الاقتصادية أنه في وقت يعاني العالم من تفتت جيوسياسي CNN حديث مع ويتراجع مفهوم العولمة، ترغب قائمة طويلة من الدول، ما يقارب 15 دولة، الانضمام إلى بريكس بلس.

وأعربت تايلاند (أول دولة في جنوب شرق آسيا) وتركيا (العضو في حلف شمال الأطلسي) مؤخراً عن رغبتها في الانضمام.

وتابع السعيدى «مع توسع بريكس بلس، تعمل اقتصادات الدول فيها على توحيد وجهات النظر بشأن القضايا العالمية والتنمية الاقتصادية «والتجارة وإنشاء مؤسسات جديدة تتحدى اتفاقية بريتون وودز».

وأكد السعيدي أن هذه التغيرات تؤثر على النظام المالي الدولي والسياسات النقدية وسلاسل الإمداد العالمية وأنظمة الدفع، وبينما كانت هناك مناقشات حول اعتماد عملة البريكس داخل المجموعة استبعد سعيدي هذا السيناريو ورجح سيناريو اتفاقيات تبادل العملات بين دول التحالف.

وعلى الصعيد العالمي، يرى السعيدي أن هناك هيمنة للدولار في المعاملات طويلة الأمد؛ مثل نظام سويفت الذي يمثل 47.37 في المئة من إجمالي قيمة المعاملات في مارس آذار 2024، ومع ذلك - بحسب سعيدي- تفيد التقارير بأنه يتم التعامل مع مبيعات النفط بعملة بعيدة عن الدولار منها اليوان الصيني والدرهم الإماراتي.

وقال السعيدي إن استخدام الدولار كسلاح - من خلال العقوبات المالية أو تجميد الحسابات واستخدام الدخل من الأصول الروسية المجمدة - يعني أن سندات وأذونات الحكومة الأميركية لم تعد «خالية من المخاطر»، وذلك يدفع الدول والمصارف المركزية إلى تقليل حصتها من احتياطي الدولار في سنداتها والاحتياطيات الدولية والأصول الموجودة في الولايات المتحدة.

وأضاف سعيدي أن الجمع بين تنامي قوة الصين الاقتصادية وبعض الاقتصادات الناشئة، إلى جانب القيود التجارية المتزايدة (وصلت نحو 3 آلاف قيد في عام 2023) واستخدام الدولار كسلاح، يؤدي إلى إلغاء تدريجي للدولار على المستوى الدولي.

وبلغت الاحتياطيات المخصصة بالدولار الأميركي على مستوى العالم بحسب السعيدي 58.4 في المئة حتى نهاية عام 2023 متراجعة من نحو 70 في المئة في مطلع القرن الحالي.

وأكد السعيدي أن البنوك المركزية اختارت زيادة حصتها من العملات الاحتياطية غير التقليدية (بما في ذلك الرنمينبي الصيني، والدولار الكندي، والدولار الأسترالي، وعملة الشمال من بين عملات أخرى) بدلاً من اليورو أو الين الياباني أو الجنيه الإسترليني.

وكان هناك أيضاً تحول واضح نحو الاحتفاظ بالذهب كوسيلة للتحوط على الرغم من أن حصة الذهب في الاحتياطيات لا تزال منخفضة، بحسب ما قاله سعيدي، ما يساعد على رفع سعر الذهب.

Comments on Saudi Arabia's reduced spending plans in Al Monitor, 16 Jun 2024

Dr. Nasser Saidi's comments on Saudi Arabia's reduced spending plans appeared in the article titled "[Why is Saudi Arabia cutting funding, reducing costs on ambitious projects?](#)" in Al Monitor's 16th June 2024 edition. The comments are posted below.

Over the last few months, employees working for state-backed Saudi companies have been startled by unforeseen cost cuts. It started during the first quarter of 2024 and affected those working in diverse sectors across the kingdom, from the media to the country's ambitious mega projects. Department spendings were significantly reduced, employees were made redundant and managements did everything big and small to save money, causing an atmosphere of tension and uncertainty.

"Government spending cuts are best understood as expenditure rationalization, improved decision-making and cost-benefit analysis of projects, including mega projects, in the light of achievements since the launch of Vision 2030," Nasser Saidi, former Lebanese economy and trade minister and founder of economic and business advisory consultancy Nasser Saidi & Associates, told Al-Monitor. "The Saudi economy remains in a transformation phase with increased policy emphasis on growing the non-oil sector for economic diversification and greater private sector participation."

"Significant diversification efforts have been underway, with

Saudi diversifying in three dimensions: more diversified economic activity, more diversified trade and greater diversification of government revenues,” said Saidi. “New sectors have been unlocked– not just overdependence on real estate and construction, including mining, tourism, entertainment and renewable energy.”

Additionally, he underlined, “Saudi Arabia is fully engaged in the energy transition as witnessed through its great investments in clean and renewable energy and electric mobility and its undertaking of a de-risking of fossil fuel assets as witnessed by Aramco share sale.”

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 EU's migration aid to Lebanon in Al Monitor, 10 May 2024

Dr. Nasser Saidi's comments on EU's migration aid to Lebanon appeared in the article titled "[Fears mount EU's \\$1.1B migration aid to Lebanon will feed political corruption](#)" in Al Monitor's 10th May 2024 edition. The comments are posted below.

The 1 billion euros (\$1.08 billion) in financial aid that the EU announced to Lebanon last week will fall short of expectations, according to the Middle Eastern nation's former economic minister, Nasser Saidi. In an interview with Al-Monitor, Saidi said that the financial package will not achieve its objective of ensuring the country's stability and stemming migration to Europe; rather, it will fuel government corruption.

No plan for funds

Saidi, who served as Lebanon's minister of economy and trade and minister of industry between 1998 and 2000, highlighted, however, that the aid had not been subject to cabinet discussion or scrutiny.

“There is no plan as to how the 1 billion euros will be used, how the funds will be allocated, indication of spending priorities, etc.,” Saidi, who now runs Nasser Saidi & Associates, an economic advisory firm out of Dubai, told Al-Monitor. He added that there has been no audit of past aid received since 2011 or of how the IMF SDR (special drawing rights, a type of IMF currency) allocation was utilized. As a result, there has been no accountability, he said.

“The absence of transparency and disclosure, of governance, the lack of accountability means that the EU funds will fuel continued corruption and enrich politicians without contributing to the purported objective of contributing to Lebanon’s socioeconomic stability,” Saidi said.

“It will do little to help the EU achieve its stated policy of controlling the influx of refugees and migrants into the EU, while supporting a failed state in Lebanon and its corrupt politicians,” Saidi added.

The EU has provided more than 3 billion euros in support to Lebanon since 2011, including 2.6 billion euros it said was to support Syrian refugees and host communities there.

“Despite the billions in aid, Lebanon has not developed any structured policy, and [it has] displayed incompetence and lack of effectiveness in dealing with Syrian refugees and displaced,” Saidi said. “This can be contrasted with the experience of Jordan and Turkey, which have effectively managed to deal with the influx of refugees and displaced.”

Lebanon is going through the fifth year of its third-deepest recession in its history. The UN estimates that 80% of the population lives in poverty.

“The polycrisis is not due to a natural disaster or war. It results from deliberate monetary, exchange rate and financial policies undertaken by the central bank that led to the collapse and meltdown of the banking and financial system,”

said Saidi.

The former minister said that successive governments have done little to address the underlying causes or implement the necessary economic reforms to help the country recover from its financial malaise. He accused the EU deal of undermining the international consensus that Beirut must make these reforms before receiving aid. Saidi said that Lebanon's political establishment will note that, given the war in Gaza and the violence in south Lebanon, they are offered international aid without having to undertake reforms, perpetuating the polycrisis.

For example, he said the Lebanese government showed a lack of transparency around how it spent the unprecedented IMF SDR allocation (over \$1.135 billion in 2021), which was intended to shore up its depleted international reserves but was "squandered on generalized subsidies and ended up financing smuggling activities."

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."

Radio interview with Oryx Radio (in French) on the Korea-Middle East Forum and its importance, 6 Nov 2023

Dr. Nasser Saidi gave an interview to Oryx Radio (in French) on the [Korea-Middle East Forum](#) and its importance given the ongoing shift in economic relations towards Asia at a time of dislocation and fragmentation.

Listen to the interview:

https://nassersaidi.com/wp-content/uploads/2023/11/07-11-23-INVITE-NASSER-SAIDI-FORUM-COREE-ET-MO-HOUDA-ET-KARINE.PAD_.mp3

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.”

Comments on UAE-Turkey CEPA in Zawya, 30 May 2023

Aathira Prasad's comments (posted below) on the prospects for UAE-Turkey CEPA in the backdrop of President Erdogan's election victory, appeared in the article titled "[With Erdogan's win, UAE looks to strengthen trade relations with Turkey](#)" on Zawya dated 30th May 2023.

"Erdogan's victory will ensure continuity in planned economic and trade cooperation," said Aathira Prasad, Director, Macroeconomics, at the Dubai-based consultancy Nasser Saidi & Associates.

"For the UAE, the CEPA with Turkey will support its diversification efforts – both in terms of expanding into new emerging markets (i.e. trade partners) and an increased focus on the non-oil sector," Prasad told Zawya.

"The UAE is likely to push for greater cooperation on newer, up-and-coming avenues such as clean energy and adoption of digital technologies, including AgriTech, alongside the usual suspects of real estate and construction," Prasad added.

"There has to be a concerted effort from Turkey's part to convince foreign investors: the lira has already dipped to a record low of 20 to the dollar and the central bank's net foreign reserves are already in negative territory (first time since 2002). Unless the central bank raises interest rates, the currency will likely fall further – an unsustainable option for the medium-term and a worrisome prospect for investors," said Prasad.

Comments on UAE trade deals in Reuters, 25 May 2023

Dr. Nasser Saidi's comment (posted below) on UAE's recent spate of trade deals appeared in the article titled "[Analysis: UAE steps up pace of solo trade deals in regional economic race](#)" on Zawya dated 25th May 2023.

Dubai-based economist Nasser Saidi said CEPAs could be a "stepping stone" into financial markets, facilitating company cross-listings, and cooperation in new sectors such as clean energy. "They signal a decision to engage on a wider diplomatic front."

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 Turkey’s economy in the aftermath of the earthquake, The National, 8 Feb 2023

Dr. Nasser Saidi’s comments (posted below) on Turkey’s economy in the aftermath of the earthquake, appeared in the article titled [“Powerful earthquakes pile pressure on Turkey’s slowing economy”](#) on The National dated 8th February 2023.

Turkey was already facing a “serious economic crunch” before the earthquake, says Nasser Saidi, president of Nasser Saidi & Associates and former chief economist of the Dubai International Financial Centre.

“The nation had already reported a 0.1 per cent quarter-on-quarter decline in [the third quarter of] 2022, given weak exports and demand, and the earthquake will only add to its economic woes.”

Overall, the country's economy will take time to recover from the natural disaster.

"Once it begins, reconstruction of infrastructure, buildings and housing will add jobs, support consumer spending and contribute to growth," says Mr Saidi. "But, in the meanwhile, there is much uncertainty, especially given the coming elections over the summer [likely in May, but could be delayed if rebuilding takes longer]."

Comments on China-GCC economic relations, The National, 3 Feb 2023

Dr. Nasser Saidi's comments (posted below) on the potential for the GCC-China Free Trade Agreement and beyond, appeared in the article titled ["Why a China-GCC free trade agreement might be a game changer"](#) on The National dated 3rd February 2023.

Nasser Saidi, president of Nasser Saidi & Associates and former chief economist of the Dubai International Financial Centre, says an FTA could be signed as early as this year.

"The China-GCC FTA negotiations have been ongoing since 2004. While it has taken a long time, agreements have been reached on most trade-related issues," says Mr Saidi, who also previously served as Lebanon's minister of economy and industry and deputy governor of the country's central bank.

"This is the last mile for negotiations, and considering [the] GCC's plans to increase economic diversification, the

agreement is likely to focus beyond just oil, [and] into trade [and] services (including digital), tech sectors and both portfolio and direct investments.”

Chinese President Xi Jinping’s historic visit to Saudi Arabia in December heralds a “major shift” in the strategic relationship between China and the GCC.

“President Xi’s visit will give a strong impetus and I anticipate an initial FTA could be signed in 2023,” says Mr Saidi.

Mr Saidi says trade between the GCC and China has been steadily rising and doubled between 2010 and 2021, with China accounting for about 16.7 per cent of the Gulf region’s total trade in 2021.

Mr Saidi says an FTA would open new sectors such as services, technology, artificial intelligence and robotics, and strengthen linkages in infrastructure, transport and logistics, leading to a “potential doubling of non-oil trade in three years”.

Opportunities also exist in construction, manufacturing, tourism and space exploration, as well as the linking of financial markets, he says.

While China is a big export market, Mr Saidi sees many opportunities beyond trade and investment. “First and foremost, there could be significant benefits from the adoption of the PetroYuan,” he says. “Oil could continue to be priced in USD, but payment and settlement would be in Yuan. The Yuan could be used for all bilateral trade with only the net balance settled in euro or USD.”

Deeper economic ties mean that China and the Gulf region can benefit from increased co-operation on numerous fronts such as the integration of banking and payment systems, the expansion of central bank swap agreements, collaboration between special

economic zones and state-owned enterprises becoming an instrument of economic and industrial policy. "Sovereign wealth funds can also be used as an instrument for co-operation – for example GCC SWFs can focus more of their portfolios on Asian economies, especially China, and vice versa," says Mr Saidi. "In parallel, China will emerge as a geostrategic partner of the GCC in defence and security, given alignment on most political issues."

Comments on Lebanon's currency devaluation, FT, 1 Feb 2023

Dr. Nasser Saidi commented on Lebanon's currency devaluation (to a new rate of L£15,000 from a fixed rate peg of L£1,507 to the dollar since 1997) at in the FT article titled "Lebanon devalues official exchange rate by 90%" published on 1st Feb 2023.

The full article can be accessed at: <https://www.ft.com/content/f37617e1-098b-459f-9502-50ffb50c6c0c>

The comments are posted below:

Nasser Saidi, a former economy minister and ex-deputy central bank governor, called it a continuation of the "failed exchange rate pegging/fixing policy that has generated the biggest financial crisis in history".

Saidi said that the new L£15,000 rate was "75 per cent below the effective market rate of L£60,000 as well as below the so-

called Sayrafa rate of L£38,000”, the latter referring to the central bank’s exchange platform. “This just adds to the multiple exchange rates that lead to severe market distortions.”

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.”

“Will the global economy

escape recession?” Dr. Saidi on CNN Business Arabia’s podcast, Jan 2023

Dr. Nasser Saidi’s was interviewed by CNN Business Arabia ahead of its launch in Jan 2023. In this podcast episode titled “Will the global economy escape recession?”, Dr. Saidi discusses the likelihood of a global recession and persisting inflation. Access the podcast episode [directly](#) on CNN Business Arabia or listen from the link below.

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.

‘Economic Diversification 2.0’: Steering the Gulf through the global economic crisis, Op-ed in The National, 15 Nov 2022

The op-ed by Dr. Nasser Saidi and Aathira Prasad, titled [“‘Economic Diversification 2.0’: Steering the Gulf through the global economic crisis”](#), appeared in The National on 15th Nov 2022 and is reposted below.

‘Economic Diversification 2.0’: Steering the Gulf through the global economic crisis

The world is under strain, but the GCC is globalising – and ‘regionalising’ – to lay a more secure economic foundation for the future

The Mena region displays divergent recovery patterns in the post-Covid era, with oil exporters growing at a relatively faster pace. But a global economic downturn is looming. What are the priorities for the region’s financial community?

Medium and long-term risks in Mena (like climate change and regional conflicts) notwithstanding, the GCC, largely recovered from Covid-19, should shift on to an “Economic Diversification 2.0” path. While the so-called “Gulf falcons”,

the UAE and Saudi Arabia, are the frontrunners with regard to actively diversifying away from oil, future growth prospects require a focus on the “new economy”, in addition to the “old” non-oil sectors (like tourism, infrastructure and logistics) that supported the “Economic Diversification 1.0” phase. But moving to a new diversification path necessitates new tools and investments.

There are multiple drivers of Economic Diversification 2.0. First, the new economy (including industry 5.0, the Internet of Things, AI, blockchain, FinTech and virtual assets) should be supported by an enabling set of investments and policies. This includes a broad-based embracing of the digital economy, in addition to increased investments (both domestic and regional) from the region’s financial markets and sovereign wealth funds (SWFs), which are able to deploy more than \$3 trillion in liquid wealth.

This should go in tandem with developing and deploying countercyclical monetary and fiscal tools and policies. The International Monetary Fund estimates that the region’s oil producers could accumulate around \$1tn in oil windfalls between 2022 and 2026. These funds should be used to secure fiscal sustainability, a move that has already been evident in the recent months with most GCC nations avoiding the temptation of increased spending. While reining in spending, policymakers could also use this opportunity to mobilise non-oil revenues and phase out costly generalised subsidies in favour of cash income transfers and targeted subsidies.

Liberalisation and structural reforms go hand in hand with the above-mentioned policy tools. This includes labour market reforms (like long-term residency and incentives to raise female labour force participation rates), alongside encouraging more private sector activity and accelerated capital market development. Last but not least, policies that support regional economic integration should be encouraged by accelerating the outward orientation of trade and investment

policies towards Asia and Africa, other Arab countries, and the development of the Red Sea Basin, among others.

As the GCC embarks on Economic Diversification 2.0, financial markets need to be the handmaiden of growth and become an enabler of economic transformation. The low hanging fruit is the use of government debt markets to finance infrastructure and development projects as well as smooth volatile government finances. Government debt markets can become a growing source of funding to diversify away from reliance on bank financing, especially for long-term projects.

Structural change requires growing the role of the private sector. The UAE and Saudi Arabia are already undertaking a concerted push towards the privatisation of certain state-owned assets and enterprises to de-risk fossil fuel assets, with the advantages of raising revenues, diversifying financial markets, and attracting foreign investment. Recently enacted public-private partnership laws will also encourage privatisation, attract new tech and innovation and foster job creation. Financing mega projects and infrastructure via capital markets, and more efficient management of public assets will boost the development of broader, deeper and more liquid capital markets, also enabling the region's SWFs to more efficiently manage their growing wealth and domestic assets, thereby increasing financial access and deepening. Indeed, the SWFs are recalibrating their asset allocation to focus on the region to drive growth. As a case in point, Saudi Arabia's PIF plans to invest \$24 billion in six Arab nations.

The ongoing global energy crisis, along with technological innovation lowering the cost of renewables, has created the conditions for a new global energy map. Alongside the GCC's existing energy linkages with Asia, new links can now be forged with Europe for gas and green/ blue hydrogen. These structural changes should be supported by a multi-faceted energy transition strategy by the region's oil producers that includes focusing on renewables, clean energy, clean

technology, hydrogen and nuclear projects in light of their net-zero emissions commitments. The path to achieving the region's ambitious renewable energy targets will require massive investments, which can be financed by the issuance of green bonds and Sukuks in the regional markets and by creating dedicated "green banks" and "green funds".

For digitalisation to transform the region's economies, investments will be required in disruptive technologies and digital payments, in addition to financing digital infrastructure to expand the reach of the digital economy. Many GCC governments are already on the forefront when it comes to adoption of digital technologies: be it e-government or embracing blockchain technology in the public sector or digital currencies (for instance, Project Aber, created by the central banks of the UAE and Saudi Arabia). The region's financial regulators and capital markets led by the Gulf Falcons are embracing FinTech and crypto assets. Supporting mainstream digital solutions like MedTech, AgriTech and EduTech will increase the pace of digitalisation, assisting economic transformation.

The global political economy is under strain. The GCC has an opportunity to benefit from global decoupling and fragmentation by its unfolding "regionalised globalisation" strategy, driving and supporting regional economic integration. A growing number of free trade agreements are linking new economic partners and strengthening existing relations, while tools like foreign aid, finance of regional trade, building and sharing the services of infrastructure facilities as well as FDI and portfolio investments are transforming and improving the growth and development prospects of a broad GCC-connected region, including Mena, East Africa and Asia.

Dr Nasser Saidi is the president of Nasser Saidi and

Associates. He was formerly Lebanon's economy minister and a vice-governor of the Central Bank of Lebanon. Aathira Prasad is director of macroeconomics at Nasser Saidi and Associates.

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."

Radio interview with Dubai Eye's Business Breakfast on Biden's visit to the Middle East, 13 July 2022

Dr. Nasser Saidi spoke with Dubai Eye's Business Breakfast team on 13th July 2022 regarding US President Biden's visit to the Middle East, with a focus on meeting with the Saudi Crown Prince

Listen to the full radio interview at the link below (from 10:21 to 17:10):

<https://omny.fm/shows/thebusinessbreakfastpodcast/less-passengers-will-be-able-to-fly-out-of-heathro>

<https://nassersaidi.com/wp-content/uploads/2022/07/Less-passengers-will-be-able-to-fly-out-of-Heathrow-this-summer..mp3>

Comments in The Banker

article “Lebanese Financial Crisis Drags On”, Jul 2022

Dr. Nasser Saidi comments on the ongoing economic and financial crisis in Lebanon appeared in the July 2022 edition of The Banker, in an article, titled “Lebanese Financial Crisis Drags On”.

The comments are posted below and the article can be [directly accessed on The Banker’s website \(subscription only\)](#).

“The roots of [the crisis] can be traced to years of large fiscal deficits (current wasteful spending without any build-up of infrastructure or real public assets), leading to a growing debt burden, [and] an increasingly overvalued Lebanese pound generating persistent current account deficits,” Nasser Saidi, Lebanon’s former minister of economy and trade and a former BdL vice-governor, told The Banker.

“Malgovernance, endemic corruption, incompetence, failed policies and dysfunctional politics have tipped Lebanon from being a fragile state into a failed state.”

While political paralysis prevented the passage of capital control laws at the beginning of the crisis, banks applied sporadic controls from early to late 2019, tightening them further as time went on. Yet the patchwork system of the initial restrictions “allowed politicians and cronies, bank shareholders and bankers, the ‘privileged and connected’ to transfer over \$10bn at the expense of continued depletion of international reserves and destruction of confidence in the banking system,” Mr Saidi told The Banker.

Comments on Lebanon's risk of spiralling into runaway inflation in Reuters, 30 Jun 2022

Dr. Nasser Saidi's comments appeared in the Reuters article titled "[Analysis: Political and banking deadlock may plunge Lebanon deeper into crisis](#)", published 30th June 2022.

Comments are posted below:

If that policy carries on and the government tries to appease the population by increasing benefits and salaries for the relatively large public sector, Lebanon could spiral into runaway inflation.

"With no new revenues, increasing salaries and benefits such as transport allowance will take the country into hyperinflation," Nasser Saidi, an economist and former vice-governor at Lebanon's central bank, told Reuters.

Comments on UAE's industrial partnership with Egypt &

Jordan, The National, 2 Jun 2022

Dr. Nasser Saidi's comments (posted below) on UAE's industrial partnership with Egypt & Jordan appeared in the article titled ["How the UAE, Egypt and Jordan industrial partnership will lift vital sectors"](#) on The National dated 2nd June 2022.

"Not only would such investments increase value-add and productivity, it will also help these nations to integrate into the global supply chain – resulting in better trade prospects with an increase in exports, reduced costs and maximising firms' profits," Nasser Saidi, founder and president of Nasser Saidi & Associates, said.

"Furthermore, being a capital exporter, the UAE can deploy capital and existing technical know-how in the lower-wage cost nations, thereby supporting job creation (and reducing migration), which is imperative for post-Covid recovery."

"The industrial partnership also underscores the need for improved food security in the future: given climate change, and potential water wars in the future, it would be a win-win for all three nations to support the development of agriculture and food production, especially by tapping technological advancements such as AgriTech and vertical farming," Mr Saidi said.

Comments on monetary tightening & inflation in The Independent Arabic, 30 May 2022

Dr. Nasser Saidi's comments in The Independent Arabic on global and regional inflation and effects of monetary tightening can be read below or at the [original link](#)

هل تنجح دول الخليج في تخطي اختبار التضخم ورفع أسعار الفائدة؟

تُحافظ [دول الخليج](#) على انتعاش اقتصادي ملحوظ مدعومة بتحسين قوي لأسعار النفط، مما يجنبها الانحدار الاقتصادي الذي تعيشه غالبية [الاقتصادات العالمية](#) وتفشي مخاطر التضخم المرتفع. وقال محللون ومتخصصون لـ "اندبندنت عربية"، إن اقتصادات دول الخليج ستبقى قادرة على كبح جماح معدلات التضخم وإبقائها تحت السيطرة في 2022، حتى في ضوء التوقعات بارتفاع أسعار [المواد الغذائية](#) على المستوى العالمي.

وأوضحوا أن الحكومات الخليجية مطالبة بمواصلة إجراءاتها الخاصة بتعزيز وتسهيل بيئة الأعمال، وصولاً إلى تحسين جديد لمستوياتها على المؤشرات العالمية، إلى جانب العمل على استقطاب استثمارات أجنبية جديدة تضح أموالاً وخبرات في السوق المحلية، علاوة على الحفاظ على التنمية المستدامة للقطاع غير النفطي للحيلولة دون حدوث أي تأثيرات سلبية من معدلات التضخم المتصاعدة عالمياً.

وبحسب الأرقام الرسمية، فإن معدلات التضخم في دول الخليج الست الغنية بالنفط، لا تزال منخفضة، وذلك عند مقارنتها مع باقي كبريات

الاقتصادات العالمية، أو حتى أهم أسواق الدول الناشئة.

ومقارنة بالتضخم الأميركي الذي وصل لأعلى مستوى منذ 4 عقود إلى 8.5 في المئة وفي الاتحاد الأوروبي إلى 7.5 في المئة، تتراوح نسب التضخم في الخليج بين 2 في المئة في السعودية وهي الأقل خليجياً و2.5 في المئة في الإمارات و3.59 في المئة في عُمان و3.90 في المئة في البحرين و4.37 في المئة في الكويت، أما قطر التي تعتبر الأعلى على مستوى الخليج بنسبة 4.42 في المئة.

قراءات أقل في معدلات التضخم

وعلى الرغم من أن قراءات التضخم التي تُعد أقل بصورة كبيرة عن مثيلتها في الولايات المتحدة، فإن البنوك المركزية الخليجية تجد نفسها مضطرة لرفع [سعر الفائدة](#) بسبب ارتباط عملاتها بالدولار، باستثناء الكويت التي تربط الدينار بسلة عملات يُهيمن عليها الدولار.

وتعني عمليات ربط العملات الخليجية أن البنوك المركزية المحلية غالباً ما تأخذ إشارة إلى السياسة النقدية من الولايات المتحدة، مما يؤدي إلى مخاطر عدم توافق السياسات عندما تكون دورات الأعمال بعيدة عن خطواتها، واليوم تعاني منطقة الخليج من ارتفاع التضخم، ولكن ليس بوتيرته في الولايات المتحدة.

واقترفى صناع السياسات النقدية في دول الخليج أثر بنك الاحتياطي الفيدرالي الأميركي، ورفعوا أسعار الفائدة الأساسية مرتين حتى الآن، الأولى بمقدار ربع نقطة مئوية في مارس (آذار) الماضي لأول مرة منذ عام 2018، والثانية بمقدار نصف نقطة مئوية في أبريل (نيسان) الماضي.

وتحرص البنوك المركزية في منطقة الخليج، بما فيها السعودية والإمارات إلى مواكبة القرارات الصادرة عن الفيدرالي لحماية ربط عملاتها المحلية بالدولار، في حين لا تُعد ضغوطات التضخم في المنطقة قاسية مثلما هو الأمر في الولايات المتحدة، حيث بلغت أعلى مستوياتها منذ أربعة عقود، فإن قوة التعافي في أعقاب تفشي وباء كورونا تستدعي تشديد السياسة النقدية، بحسب شركة "أكسفورد إيكونوميكس".

النشاط الاقتصادي يتحسن

قال المتخصص في الشؤون الاقتصادية الدولية، ووزير الاقتصاد والتجارة اللبناني الأسبق، ناصر السعيدي: "على الرغم من الضغوط التضخمية حول العالم، فإن النشاط الاقتصادي لدول الخليج يُظهر تحسناً، حيث بقيت مؤشرات مديري المشتريات بدول المنطقة عند مستويات توسعية".

وأشار إلى أن ارتفاع أسعار المواد الغذائية المستوردة واضطرابات سلاسل التوريد تسببت في ارتفاع التضخم في دول مجلس التعاون الخليجي، حيث إن كثيراً منها بلغ أعلى مستوياته في عقد من الزمان، موضحاً أن وزن المواد الغذائية في اقتصادات دول مجلس التعاون الخليجي أقل مقارنة بباقي دول الشرق الأوسط وشمال أفريقيا، موضحاً أن التحسن في القطاع غير النفطي بالخليج يحدث بشكل أسرع مما هو عليه في التصنيع، مما يشير إلى التعافي الأسرع للقطاعات غير النفطية وغير الصناعية.

وأشار إلى أن ربط العملات الخليجية بالدولار الأميركي أدى إلى فقدان استقلالية السياسة النقدية، مع اضطراب البنوك المركزية إلى اتباع سياسة التشديد لبنك الاحتياطي الفيدرالي عبر رفع أسعار الفائدة، لافتاً إلى أن هذا يضغط على القطاع غير النفطي، خاصة العقارات والإسكان والاستثمار الرأسمالي في الصناعة.

وأوضح السعيدي أنه يمكن تعويض ذلك من خلال أدوات السياسة المالية المستهدفة، ولا سيما في تسريع الاستثمار في الطاقة المتجددة والتكنولوجيا كجزء من مكافحة تغير المناخ والتخفيف من مخاطره المتوسطة والطويلة الأجل.

وأكد أنه يمكن لحكومات دول مجلس التعاون تقديم حوافز لتنمية الاقتصاد الرقمي والخدمات الإلكترونية وصناعة التشفير. وبيّن أن ارتفاع قيمة الدولار الأميركي وعملات دول مجلس التعاون الخليجي سيساعد في تقليل التضخم المستورد مقارنة بدول أخرى مثل مصر التي تواجه معدلات تضخم متسارعة. وتابع، "يمكننا توقع زيادة نسبية في أسعار المواد الغذائية نتيجة الارتفاع العالمي بالأسعار".

القدرة على الصمود

قال عضو المجلس الاستشاري في معهد تشارترد للأوراق المالية والاستثمار والمحلل المالي وضاح الطه، "إن التضخم في دول مجلس التعاون الخليجي تعتبر من أقل النسب العالمية، كما أن اقتصاداتها لا تزال قوية، وسيكون لديها القدرة على الصمود في مواجهة موجة

تشديد السياسة النقدية"، مضيفاً أن عوائد النفط المرتفعة ستوفر لحكومات المنطقة قدرة على تعويض هذا التأثير، حيث تمنح حكومات المنطقة القدرة على زيادة الإنفاق بهدف امتصاص تأثير زيادة تكاليف الاقتراض.

وتُعد أسعار النفط التي تتجاوز 100 دولار للبرميل في مستوى أعلى حالياً مما تحتاج إليه غالبية دول الخليج لتحقيق التوازن لميزانياتها خلال العام الحالي، بحسب تقديرات صندوق النقد الدولي، وهو ما يعطي الحكومات مساحة أكبر لزيادة عمليات الإنفاق.

وأضاف الطه أن تعافي الاقتصاد غير النفطي للدول الخليجية، وانخفاض أسعار الفائدة الحقيقية، والتي تمثل الفارق بين أسعار الفائدة الاسمية ومعدل التضخم، سيوفر أيضاً لاقتصادات المنطقة مساحة كافية لامتصاص زيادة أسعار الفائدة من قبل الفيدرالي خلال العام الحالي.

مستوى تحت السيطرة

وقال أستاذ المالية والاستثمار بكلية الاقتصاد بجامعة الإمام محمد بن سعود، محمد مكني، إن معدلات التضخم في دول الخليج ما زالت في مستوى معتدل وتحت السيطرة مقارنة بدول عالمية أخرى على الرغم من ارتفاعها حتى نهاية الربع الأول من عام 2022 مقارنة بالفترة نفسها من عام 2021، موضحاً أن النسبة الأكبر في التضخم الخليجي في قطاع النقل بنسبة وصلت إلى 9 في المئة ثم قطاع الثقافة والترفيه بنسبة وصلت 7.2 في المئة.

وأكد أن أسعار الفائدة للبنوك المركزية الخليجية مرتبطة بشكل مباشر بما يقرره الفيدرالي الأميركي، وهذا يعطي ميزة بحكم الارتباط بعملة الدولار العملة الأكثر أماناً وثقه في العالم لارتباطها أكبر اقتصاد في العالم.

وأشار إلى أن دول الخليج مع ارتفاع أسعار النفط التي تُعد أحد العوامل الرئيسية المحركة لاقتصاداتها متوقع أن تشهد نمو أسرع هذا العام أكثر مما كان متوقع، وذلك طبقاً لتوقعات البنك الدولي وعدد من الوكالات العالمية التي أبدت نظرة إيجابية ومنتفائلة حيالها، مؤكداً أنه لذلك ليس من المتوقع أن نشهد أي ركود اقتصادي بالمنطقة خلال الفترة القادمة، مشيراً إلى أن هذا الارتفاع في أسعار النفط يغطي أي آثار سلبية ناتجة من ارتفاع أسعار الفائدة.

ويعتقد أنه من المهم الأخذ في الاعتبار أن خطر التضخم وانخفاض

أسعار النفط لا يزالان قائمين بسبب عودة وباء كورونا في الصين، والذي قد يسبب اضطرابات في سلاسل الإمداد العالمي، أو بسبب الحرب الروسية - الأوكرانية. وأكد أن اقتصادات مجلس التعاون الخليجي قد لا تتأثر بشكل كبير في المدى القصير أو المتوسط بذلك.

سياسة مالية توسعية

من جهته، قال المحلل الاقتصادي السعودي علي الحازمي، إن من الأفضل لدول الخليج انتهاج سياسة مالية توسعية قادرة على امتصاص آثار رفع معدل الفائدة على الناتج المحلي وإحداث توازن في النمو الاقتصادي بالمنطقة. ولفت إلى أن آثار ارتفاع التضخم عالمياً على اقتصادات دول الخليج لن يكون مؤثراً إلا إذا حدث تراجع أسعار النفط دون مستوى 80 دولاراً للبراميل الواحد تزامناً مع مضيّ الولايات المتحدة في رفع الفائدة ومحاربة التضخم على المدى الطويل.

وقال المحلل الاقتصادي عبد الله باعشن، "التضخم موجود بدول الخليج عند مستويات مقبولة، وخصوصاً في السعودية، التي أعلنت أخيراً زيادة وتيرة التضخم ليبلغ 2.3 في المئة الشهر الماضي، مرتفعاً من 2 في المئة في مارس الماضي، وهي النسبة الأعلى منذ يونيو (حزيران) 2021 في ظل استقرار تكلفة أسعار النفط والطاقة لأنها مصدره للسلع المرتبطة بتلك القطاعات، وهو الأمر الذي يُمكنها من التحكم فيه.

وأوضح أن هناك عدة عوامل تدعم استقرار التضخم في دول الخليج، وفي مقدمتها دخول في مرحلة تنمية اقتصادية في البنية التحتية في النقل وغيرها من تدفق الاستثمارات الأجنبية لأكثر اقتصادات في المنطقة أبرزها اقتصاد السعودية، الذي يملك أكبر نسب نمو اقتصادي في المنطقة، ومن ثم تزيد تلك العوامل من القوة الشرائية، وأيضاً تدفع معدل البطالة للتراجع. وأشار إلى أن استخدام بعض أدوات السياسات المالية مثل فرض الضرائب والرسوم أو زيادة أسعار الفائدة قد يؤدي إلى ركود في الاقتصادات، لأنها تؤثر على القوى الشرائية.

ولفت إلى أن من وسائل مكافحة التضخم تقليل الضرائب، ولا سيما على البضائع الاستهلاكية، مشيراً إلى أن الضرائب من الوسائل التي لها ارتباط وثيق بعوائد الدول، لا سيما في ظل تزايد تداعيات الحرب الروسية - الأوكرانية، وهو الأمر الذي يُصعب مسألة تقليلها بشكل كبير في المرحلة الحالية.

بدوره، قال المحلل الاقتصادي الكويتي، علي العنزي، إنه لا شك أن نسب التضخم مُتحرِّكٌ فيها في منطقة الخليج، ويعود ذلك بشكل رئيس بسبب الدعم الحكومي للوقود في معظم دول المنطقة، وأيضاً لأسعار المواد الغذائية الأساسية مثل القمح، ويُعد التضخم في معظمه وارداً من الخارج بسبب تأثير الحرب الروسية - الأوكرانية أخيراً، وقبلها عمليات التيسير الكمي التي قام بها الفيدرالي الأمريكي لمواجهة تبعات كورونا.

وأكد أن البنوك المركزية الخليجية مضطرة لرفع الفائدة لتواكب أي رفع في أسعار الفائدة الأميركية ضماناً لاستقرار المالي في المنطقة، وذلك على الرغم من اختلاف معدلات التضخم بها مقارنة بالولايات المتحدة، لافتاً إلى أن حالة الاستقرار ذات الصلة بعملية ربط العملات المحلية بالدولار مرجحة على حقيقة أن الولايات المتحدة ودول الخليج من الممكن أن تمر بدورات اقتصادية متباينة، أو يكون لديها معدلات تضخم مختلفة.

وأوضح أن السياسات المالية الواضحة التي تتضمن زيادة الإنفاق الحكومي، ولا سيما بعد زيادة أسعار النفط، إضافة لخفض للضرائب، هي العامل الأبرز الذي يُمكن حكومات المنطقة من مواجهة أي ركود اقتصادي محتمل بسبب رفع الفائدة. وتوقع أن تواصل مستويات التضخم الخليجي الزيادة لأن أغلب السلع والبضائع مستوردة من الخارج، ولذلك يسمى تضخماً مستورداً، مشيراً إلى أن من الوسائل للتحكم في ذلك التضخم تثبيت الأسعار.

Comments on IMF's MENA economic recovery, The National, 24 May 2022

Dr. Nasser Saidi's comments (posted below) on the MENA region's economic growth prospects, discussed during the IMF

panel discussion, appeared in the article titled "[GCC economies set to reap \\$1.4tn in additional oil windfall in 5 years, IMF says](#)" on The National dated 24th May 2022.

Lebanon's economy collapsed after it defaulted on about \$31 billion of eurobonds in March 2020, with its currency sinking more than 90 per cent against the dollar on the black market. Political bickering and indecision by the previous parliament forced the economy into a tailspin.

Inflation in the country has continued to surge and reached 206 per cent in April as the country elected a new parliament, which will have to put in place reforms to secure \$3bn from the IMF.

"You have to restructure the banking and financial sector. You have to restructure the debt, you have to look at issues such as social protection given the large increase in the degree of poverty," Nasser Saidi, former Lebanese economy minister and founder of consultancy Nasser Saidi & Associates, said.

"A middle income country has been reduced to a third world, or even, fourth world country in the short space of two years."

While there is "some optimism in that there is change in the political landscape", the likelihood of the new government forcing unpopular reforms is low, he added.

Comments on Middle East's

electric vehicle market, The National, 23 May 2022

Dr. Nasser Saidi's comments (posted below) on the Middle East's electric vehicle market, made during a panel discussion at the inaugural Electric Vehicle Innovation Summit (EVIS) in Abu Dhabi, appeared in the article titled "[Middle East EV market 'needs more infrastructure to support electric shift'](#)" on The National dated 23rd May 2022.

While government subsidies do play a role in encouraging consumers to shift from traditional vehicles, investments in infrastructure have been more effective and are responsible for about 40 per cent of EV sales globally, Nasser Saidi, chairman of the Clean Energy Business Council, said during a panel discussion at the inaugural Electric Vehicle Innovation Summit (EVIS) in Abu Dhabi on Monday. Aside from the core infrastructure, "we also look at charging points, the speeds and quality of EVs and if they are able to compete with internal combustion vehicles", he said. Consumers also require options that are cheaper.

Oil prices can also be an influencing factor in consumer decisions. Prices have surged in the past several weeks, mainly because of supply concerns linked to the Russia-Ukraine conflict. "If we look at the tremendous increase in oil prices, that would encourage more [buyers of EVs]," Mr Saidi said.

Radio interview with Dubai Eye's Business Breakfast on Lebanon's elections, 17 May 2022

Lebanon has voted in the first parliamentary election since the country's economic collapse, with many saying they hoped to deal a blow to ruling politicians they blame for the crisis even if the odds of major change appear slim. Dr. Nasser Saidi spoke with Dubai Eye's Business Breakfast team on 17th May 2022.

Listen to the full radio interview at the link below (from 11:45 to 18:45):

<https://omny.fm/shows/thebusinessbreakfastpodcast/the-uae-gears-up-for-a-new-era-of-growth-and-prosp>

Comments on Lebanon's conditional deal with the IMF in Al Monitor, 7 Apr 2022

Dr. Nasser Saidi's comments on Lebanon's conditional deal appeared in the article titled "[IMF, Lebanon strike conditional deal on \\$3 bn aid](#)" in Al Monitor's 7th April 2022 edition. The comments are posted below.

A former vice governor of Lebanon's central bank, Nasser Saidi, said he had doubts that such reforms would ever materialise. "This is good news if the set of Monetary-Fiscal-Governance-Structural reforms including banking sector restructuring are implemented. Highly unlikely!" he wrote on Twitter.

Radio interview with Dubai Eye's Business Breakfast on DEWA's upcoming IPO, 16 Mar 2022

Aathira Prasad spoke with Dubai Eye's Business Breakfast team on 16th March 2022, sharing her thoughts on the upcoming DEWA IPO, its impact on the Dubai economy and what it would mean for investors.

Listen to the full radio interview here (from 15:00 to 21:30):

<https://nassersaidi.com/wp-content/uploads/2022/03/DEWA-to-list-6.5-of-shares-on-Dubai-Financial-Market.mp3>

Comments on exodus of its most educated citizens from Lebanon, FT, 7 Mar 2022

Dr. Nasser Saidi commented on the exodus of its most educated citizens from Lebanon in the FT article titled “Lebanon faces exodus of its most educated citizens” published on 7th Mar 2022.

The full article can be accessed at:
<https://www.ft.com/content/44633cbe-77e7-4c3f-a8b2-cce88b0af331>

The comments are posted below:

Nasser Saidi, a Lebanese economist and former minister, also warned of the dangers of the depletion of Lebanon’s “stock of human capital”.

“When you have skilled people working alongside unskilled people, they help them improve because they teach them,” he said. “If the skilled people and the educated people are not there, then we just have misery.”

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.”

Comments on Lebanon’s “rescue plan” in Reuters, 2 Feb 2022

Dr. Nasser Saidi’s comments appeared in the Reuters article titled [“Analysis: Lebanon’s savers to bear burden under new rescue plan”](#), published 2nd February 2022.

Comments are posted below:

Lebanon’s pound has lost more than 90% of its value since the crisis erupted in 2019. Of those deposits, \$16 billion will lose 75% of their value and \$35 billion will lose 40%.

“It is an effective nationalisation of deposits,” said Nasser Saidi, a former economy minister and central bank vice governor, blaming the central bank for racking up “massive balance sheet losses” to defend an over-valued currency.

“If accepted by parliament, it would be the kiss of death for a near-zombie banking system and will doom Lebanon, its

economy and people to prolonged misery and lost decades,” he said of the latest plan.

Comments on the UAE’s new regulations, The National, 16 Jan 2022

Aathira Prasad’s comments (posted below) on the UAE’s latest regulations governing labour relations to patent registrations appeared in the article titled [“New UAE regulations will support non-oil economy and boost FDI, analysts say”](#) on The National dated 16th January 2022.

The latest regulations are “a step in the right direction”, according to Aathira Prasad, director of macroeconomics at consultancy Nasser Saidi & Associates, said.

“It is imperative that the ‘soft infrastructure’ of laws and regulations should complement the ‘hard infrastructure’ in the UAE,” she said.

“The latest approval of the labour relations and industrial property rights laws, by providing greater clarity on the regulatory side, will offer investors greater confidence and help attract more FDI into strategic projects. It will further ease of doing business as well as strengthen and support the non-oil economy in the UAE.”

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 “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 the UAE's weekend change & economic impact, The National, 8 Dec 2021

Dr. Nasser Saidi's comments (posted below) on the UAE shifting its weekend to Sat-Sun appeared in the article titled "[UAE's weekend change to boost economic competitiveness](#)" on The National dated 8th December 2021.

For companies, particularly those dealing with global markets, the move will lead to a greater economic integration, according to Nasser Saidi, founder and president of Nasser Saidi & Associates

"The reform will mean that the UAE's banking and financial markets will gain a full working day in common with international financial markets, leading to greater efficiency and increased productivity, since the banking and financial sector will likely open all of Friday," Mr Saidi said.

"This supports banking and financial deals/transactions and flows, with banks and equity markets being able to undertake operations/transactions on the same days as most of the world, increasing the UAE's financial integration with global markets and reducing the current overnight risk of deals and operations, including for the all-important oil markets."

"The move to a Saturday-Sunday weekend for the federal government needs to be mirrored in the private sector, building on the cohesive strategy of attracting businesses and investments into the region through a variety of legal and regulatory reforms and ease of establishment [visas and residency liberalisation] and related measures that were

introduced during 2020 and 2021,” Mr Saidi said.

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.”

**Comments on Saudi and others
sanctions on Lebanon in CNN
Arabia, 3 Nov 2021**

Dr. Nasser Saidi's comments appeared in a CNN Arabia article titled "أزمة قرداحي.. هل تعقد جهود لبنان في تلقي دعم مالي من" on the recent sanctions on Lebanon by Saudi and other GCC nations. This article was published on 3rd November 2021 & can be accessed [directly](#).

His comments are posted below:

CNN وقال ناصر السعيدي، وهو اقتصادي بارز ووزير لبناني سابق، لـ بالعربية، إن "وقف الصادرات اللبنانية قد يؤدي إلى تراجع الدخل وإيرادات العملة الأجنبية وخسارة في الوظائف في أكثر القطاعات استخدامًا للعمالة ما سيعمق الأزمة الاقتصادية في لبنان. وباعتقادي من المحتمل أن تشمل الخطوات التالية قيودًا على التحويلات المالية أو حركة الناس بين الخليج ولبنان. ونظرًا إلى أن التحويلات من الخليج تشكل حوالي 60% من إجمالي التحويلات قد يكون ذلك بمثابة "رصاصة الرحمة".

وفي رده على سؤال حول احتمال تلقي لبنان مساعدات من الخليج، قال السعيدي إن "الأمر ستكون من دون شك أكثر صعوبة"، داعيًا حكومة رئيس الوزراء اللبناني نجيب ميقاتي إلى "حل مختلف القضايا العالقة والمثيرة للجدل كأولوية اقتصادية ناهيك عن كونها أولوية سياسية".

Comments on Lebanon in Forbes Middle East, 1 Nov 2021

Dr. Nasser Saidi's comments appeared in a Forbes Middle East article titled "Exclusive: How A Backdoor Deal Between Banque du Liban And Economy Ministry Further Sunk The Lira". This

article was published on 1st November 2021 & can be accessed [directly](#).

His comments are posted below:

Lebanon's money exchange market "is highly illiquid and therefore any small amount, even a few million dollars, can move the [dollar] price," said Nasser Saidi, an economist and a former economy minister and vice-governor of BDL.

On currency exchange markets, the law of supply and demand generally prevails. When demand for dollars increases but supply does not follow, the price of the greenback rises. Subsequently, the value of the lira being exchanged for those dollars falls. After receiving the payment in lira, the major food importer who spoke on condition of anonymity said his company hurried to buy dollars from the market. "And if everybody rushed at the same time, which is likely the case, then this would have moved the [lira] rate," Saidi added.

Lebanon operates with more than four exchange rates for its local currency. This process opens doors for arbitrage opportunities – products are bought in the cheaper markets and sold in the dearer market – which traders benefit from at the expense of depositors and the rest of the economy, explained Saidi. The food basket program had "benefited merchants at the expense of everyone else," he said.

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 Abu Dhabi's equity market growth on CNN Arabia, 13 Oct 2021

Dr. Nasser Saidi's comments appeared in a CNN Arabia article titled "أبوظبي تشجع الشركات على إدراج أسهمها بإطلاق صندوق يفوق" مليار دولار" on the IPO fund launched for Abu Dhabi Securities Exchange. This article was published on 13th October 2021 & can be accessed [directly](#).

His comments are posted below:

إلى أن تحسن أسعار "CNN" وأشار المحلل المالي ناصر السعيدي لـ البترول عامل مهم في زيادة الطروحات الأولية ولكن السبب الأهم بالنسبة إليه هو الخصخصة وتوجه دول الخليج إلى تخفيف الاعتماد على الوقود الأحفوري.

"هناك نقطتان مهمتان تشجعان على الطروحات الأولية وهي الخصخصة وهذا هو الوقت الملائم للقيام بذلك فدول الخليج تملك السيولة وتتجه نحو طرح شركات مربحة في قطاعات لم تكن متاحة أمام المستثمرين من قبل ما يفسر طرح أكوا باور وأدنوك للحفر." وأضاف أن "النقطة الأهم هي الحاجة إلى تخفيف مخاطر متعلقة بأن يصبح الوقود الأحفوري من الإصول غير القابلة للاستغلال في المستقبل." "أتوقع أن تتسارع هذه الوتيرة وأن تنفتح أسواق الأسهم الخليجية بشكل أكبر بما في ذلك السعودية والكويت فتنوع الأسهم يجذب قاعدة

”أكبر من المستثمرين“

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.”

Comments on Lebanon in various Reuters articles, Sep 2021

Below is a compilation of comments given by Dr. Saidi on the ongoing economic/ financial/ social/ political situation in Lebanon (published in Sep 2021).

As part of the Reuters article titled [“Inflationary pressures force Lebanese to make tough choices”](#), published 10th Sep 2021:

Some economists argue this will only add to the inflationary cycle and eventually lead to hyperinflation if sustainable reforms are not implemented.

“As soon as you get into that cycle whereby you have cost of living adjustments ... but you don't have any more revenue to fund them, you're just printing money, then that creates a vicious cycle,” Nasser Saidi, a leading economist and former minister, said.

In the Reuters article titled [“Explainer: Lebanon's Mikati faces tricky path to safe economic ground”](#), published 14th Sep, the below comment appeared:

[The IMF] has also recommended recognising upfront losses at private banks and the central bank in a way that protects smaller depositors, and establishing a credible monetary and

exchange rate system including the unification of multiple exchange rates, and accompanied by formal capital controls.

“The size of Banque Du Liban’s (BDL) losses is a critical matter: you cannot do any financial programming or plan any financial package for Lebanon without knowing the size of the BDL’s losses. These issues were brought up last year but were not resolved,” Nasser Saidi, a leading economist and former minister, said. “They are the elephant in the room.”

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.”

Interview on Lebanon, hyperinflation & the way forward, TRENDS magazine, 5 Sep 2021

An interview with Dr. Nasser Saidi was published in the article titled “Hyperinflation imminent in Lebanon”, in TRENDS magazine dated 5th Sep 2021.

Excerpts from the conversation are posted below; the entire article can be accessed [here](#).

In an exclusive interview with TRENDS, Dr Nasser H. Saidi – former Minister of Economy and Trade and Minister of Industry of Lebanon between 1998 and 2000 and the first Vice-Governor of the Central Bank of Lebanon for two successive mandates, 1993-1998 and 1998-2003 – describes the present Lebanon’s economic crisis as “one of the most massive depressions in Lebanese history”.

Dr Saidi, who is also Founder and President of Nasser Saidi & Associates and Former Chief Economist and Head of External Relations at the DIFC Authority, said that Lebanon got here because of multiple crises occurring at the same moment. However, the primary issue was non-sustainable indebtedness, both government and central bank debt, as well as an increasingly unsustainable balance of payments and an inflated value of the Lebanese pounds. These factors have contributed to the current crisis in Lebanon.

He claimed that the government’s borrowing was not used to fund the construction of real assets or infrastructure. The Central Bank, on the other hand, was borrowing to defend an overvalued Lebanese pound, so it had to pay high interest; this was referred to as financial engineering, but it was a

like "Ponzi scheme."

How far will Lebanon's inflation fly?

The Lebanese economy, according to Saidi, is heavily dollarized, which means Lebanon imports a lot of commodities and the currency rate plays a big role in goods and services. As a result of the collapse of the financial exchange rate system, prices began to rise. Furthermore, the Lebanese Central Bank continued to fund the government's deficit, which means infusing more money into the system, resulting in higher inflation rates.

"As a result, we are on the edge of hyperinflation unless the government implements significant deep reforms, such as fundamental, monetary, fiscal, and structural reforms," he said.

Saidi felt that the Lebanese government and Central Bank should issue a new currency, a new lira, and cancel the old currency. "This is because we are on the verge of hyperinflation, with monthly price increases of 25 percent, because of cost adjustments that the government is willing to take," he pointed out.

Recovery takes time

According to Saidi, predicting when Lebanon would emerge again is difficult since it depends on whether changes are implemented, whether a credible government is in place to implement these reforms, and whether Parliament passes the necessary legislation.

He believes that if the Lebanese government started a program right now, it would take Lebanon 5-7 years to re-emerge. However, poverty and unemployment will persist, and it will take a long time to return to Lebanon's productive levels.

Saidi went on to say that Lebanon needed to confront the

humanitarian issue and begin the reform process. As a result, it might require around US\$1.5bn, which we could raise through humanitarian aid meetings, the World Bank, Gulf countries, the EU, and other well-donors.

Reasons for banking crisis

The banking sector is illiquid and insolvent, but, according to Saidi, the reason for its insolvency is that the banks lent money to the Central Bank, which then used those deposits to finance the government and defend the Lebanese lira. As a result, the central bank suffered massive losses of more than US\$60bn.

By the end of 2019, the banking sector had invested over 75 percent of its assets in the Central Bank, government treasury bills, and Eurobonds. The Lebanese Eurobond is now being sold for 12 cents on the dollar, meaning it has lost 88 percent of its value.

This means that the banks' holdings, including their holdings of Central Bank, secured certificates of deposits, and bonds, have also been reduced, resulting in massive losses.

Saidi believes that Lebanon's banking sector, before the crisis, was too big for the size of the economy. Hence the government must reduce the size by at least 50 percent, if not more, which means a total restructuring of the banking sector.

He also added that the Lebanese banks now require an equity injection and must sell some of their assets abroad, which some banks have started so.

The banking system has failed, and there is no longer trust in the financial sector. The Central Bank had a significant role in the failure because of the fixed exchange policy and the government's continuous financing, he said.

Regaining the customers' trust

To regain the customer's trust, the banks should recapitalize, which requires a large injection of around US\$20bn from the bank's shareholders.

According to Saidi, bank bailouts are necessary. Still, they must be followed by a plan to stabilize the economy, such as fiscal and structural changes companies with international aid and financing from the IMF, World Bank, EU, and of course, the GCC countries.

Comments on Lebanon & use of SDR's in L'Orient Today, 27 Aug 2021

Dr. Nasser Saidi's comments were published as part of the article titled "[What are SDRs and how might Lebanon use them?](#)" in the L'Orient Today, published on 27th Aug 2021; these are copied below.

"To use SDRs, you have to find someone else willing to give you cash ... The question is whether there is a member willing to buy Lebanon's SDRs," said Nasser Saidi, a former economy and industry minister and former vice-governor of Lebanon's central bank for two successive mandates.

"To be realistic, I doubt any major industrial countries would be willing," Saidi said.

Saidi and others warned that even if Lebanon managed to find another member country to enter a voluntary trading arrangement, the foreign currency obtained via the SDRs might be squandered.

Saidi questioned whether Lebanon would use the SDRs effectively at all.

“The very important question to ask is, how should this money be used? We should use this as part of an overall reform package for Lebanon. We should not waste it,” Saidi stressed.

“We should say we now have increased our reserve assets, this now improves our general position, so let’s initiate negotiations with the IMF and negotiate a full package. Not another piecemeal measure.”

“There have been suggestions to use [the SDR proceeds] for electricity or to buy fuel. These would be mistakes. The idea that you would want to use reserves for buying fuel is a very big policy mistake,” Saidi said. “The trouble is right now that politicians are only focused on elections next year so they’re trying to get any type of funding from anywhere for electoral purposes,” he added, also questioning the effectiveness of the current caretaker government.

Saidi warned that “Because there are no conditions and it’s a voluntary trading arrangement, it’s very possible Lebanon could waste the opportunity.”

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 Lebanon’s “slippery slope to mayhem” in Reuters, 23 Aug 2021

Dr. Nasser Saidi’s comments appeared in the Reuters article titled “[Analysis: Leaderless Lebanon on slippery slope to mayhem](#)”, published 23rd August 2021.

Comments are posted below, on the upcoming elections in spring:

“Will there be the courage to undertake these reforms? I doubt it. The policymakers seem to be interested in tiding things over and kicking the can down the road until elections next year,” said Nasser Saidi, a former economy minister and central bank vice governor.

“You need immediate reforms. You need shock therapy to restore confidence,” he said.

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 hyperinflation in Lebanon in L'Orient Today, 21

Jul 2021

Dr. Nasser Saidi's comments were published as part of the article titled "[With Lebanon edging closer to hyperinflation, a family of five now pays five times the minimum wage for food each month](#)" in L'Orient Today; these are copied below.

Nasser Saidi, a former economy and industry minister, warned that although the country has not yet crossed the hyperinflation threshold, salary stagnation, especially in the public sector, is likely to push it there. Workers in several sectors, including transportation, education and banking, have already held multiple strikes to protest worsening living conditions.

As the security forces and other public sector employees up their demands for a so-called cost-of-living adjustment, Saidi told L'Orient Today, "politicians and parliamentarians will want to placate pressure in the streets [and] vote for a [cost-of-living] adjustment, leading to an increase in government spending financed by printing money, which will then lead to hyperinflation. That is the looming, likely scenario."

Comments on Saudi tariffs & impact on the UAE, FT, 14 Jul 2021

Dr. Nasser Saidi commented on the latest move from Saudi Arabia – changes in import rules and preferential tariffs – in the FT article titled "Trade emerges as latest flashpoint in

deepening Saudi-UAE rivalry” published on 14th Jul 2021.

The full article can be accessed at:
<https://www.ft.com/content/0cb64e0b-fcad-4992-beed-191261caa406>

The comments are posted below:

Economists say co-operation under the auspices of the GCC, rather than competition between members, would be a better route to a prosperous and diverse regional economy. “This is a moment of opportunity to rewrite the rules and come up with a new customs union agreement and look forward to the future,” said Nasser Saidi, a Dubai-based economist.

Building a comprehensive agreement to include services as well as goods would turn the Gulf’s Arab states into a global bloc that could negotiate more effectively with other power centres, he said.

“It’s in the interest of everyone to move to a proper common market, leaving out the politics,” he said. “It took the EU years to get it right, and there were disputes along the way – so it could take some time.”

Radio interview with Dubai Eye’s Business Breakfast on Lebanon economic crisis and

currency plunge, 8 Jul 2021

Dr. Nasser Saidi spoke with Dubai Eye's Business Breakfast team on 8th July 2021, sharing his thoughts on the economic, social and political turmoil in Lebanon, plunging currency rates, low purchasing power and poverty.

Listen to the full radio interview here:

<https://nassersaidi.com/wp-content/uploads/2021/07/20210708-0720-EYE-BB-Dr.-Nasser-Saidi-NASSER-SAIDI-ASSOCIATES.mp3>

Comments on Saudi Arabia's amended import rules in Reuters, 5 Jul 2021

Dr. Nasser Saidi's comments appeared in the Reuters article titled "[Saudi Arabia amends import rules from Gulf in challenge to UAE](#)", published 5th July 2021.

Comments are posted below:

"The original customs union agreement, established Jan 2003, no longer serves the needs of the GCC countries ... including Saudi and the UAE and in light of the increased competition between the two countries pursuing similar non-oil diversification activities," said Nasser Saidi, a Dubai-based economist.

“The current dispute, while disruptive in the short-term, can open the door to a more efficient, modern, trade and investment framework and agreement that would boost growth prospects and allow for greater diversification, higher value-added regional trade,” he said.

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 low exchange rate in Gulf News, 22 Mar 2021

Dr. Nasser Saidi’s comments appeared in the Gulf News article titled [“How things went from bad to unbearable in Lebanon”](#), published 22nd March 2021.

Comments are posted below:

Citing security concerns, banks shut down and the minute they re-opened, were unable to accommodate depositors frantically trying to withdraw their savings. There were no more dollars in the country, and the state could not come up with logical answers as to where the money had vanished.

The lion’s share had been consumed by the Central Bank of Lebanon, which insisted on an overvalued pegged exchange rate, says Nasser Saidi, an economist, former economy minister, and ex-deputy governor of the Central Bank.

Speaking to Gulf News, he explained: “To protect an overvalued Lebanese pound, the Central Bank started borrowing at high interest rates to pay maturing debt and debt service.” The result, he added was “confidence evaporated, reserves [were] exhausted, with the Central Bank unable to honour its foreign currency obligations and Lebanon defaulting on its March 2019 Eurobond.”

But that was not the only reason, he added. Another was the steady economic collapse in neighbouring Syria, to where

Lebanese dollars were smuggled daily since mid-2019, also at highly inflated prices. Last April, Prime Minister Hassan Diab gave an additional reason for the downward trajectory, saying that \$5.7 billion in deposits had been smuggled out of the country during the first two months of the year, further adding to the liquidity crunch.

Comments on Lebanon's subsidies & historic low exchange rate in Reuters, 17 Mar 2021

Dr. Nasser Saidi's comments appeared in the Reuters article titled "[Brawls in shops as Lebanon's financial meltdown hits supply of food](#)", published 17th March 2021.

Comments are posted below:

The looming removal of subsidies has triggered fears of shortages, said Nasser Saidi, an economist and former cabinet minister.

"As soon as you announce that subsidies might be lifted or reduced...automatically consumers hoard goods," he said.

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 Lebanon's bank recapitalisation efforts in Al Joumhouria (Arabic), 27 Feb 2021

Dr. Nasser Saidi's comments on bank recapitalisation efforts in Lebanon can be accessed in the [Al Joumhouria article](#) published on 27th Feb, 2021.

The comments are copied below:

وفي هذا الاطار، أوضح الوزير السابق ونائب حاكم مصرف لبنان سابقاً ناصر السعيدي انّ زيادة رأس المال المطلوبة لا تمثّل سوى 15 في المئة فقط من المطلوب لأنّ المصارف خسرت كامل رأسمالها، معتبراً انّ زيادة رأس المال هي جزء بسيط من حلّ شامل مطلوب هو إعادة هيكلة القطاع المصرفي في اسرع وقت ممكن ضمن خطة متكاملة، ومن خلال إعادة هيكلة ديون الدولة وديون مصرف لبنان والديون المتعثرة للقطاع الخاص.

واعتبر انّ رأس مال المصارف بحاجة لزيادة بمقدار 20 الى 25 مليار دولار، وبالتالي فإنّ الزيادة الحالية البالغة 3 مليارات دولار غير كافية على الإطلاق لتغطية الخسائر في الديون الحكومية وفي التوظيفات لدى مصرف لبنان، ناهيك عن القروض المتعثرة المتزايدة للقطاع الخاص بسبب حالات الإفلاس والتعثر.

وأشار السعيدي لـ«الجمهورية» الى انّ المصارف لم تقم بزيادة رأسمالها من خلال زيادة فعلية لأموالها الخاصة عن طريق المساهمين، بل لجأت الى زيادة رأس مالها عبر شراء دولارات من السوق المحلي ما أدّى الى تقليص حجم السيولة بالدولار في السوق وأعادها الى المصارف، علماً انها لن تستخدمها لتمويل القطاع الخاص بل لتغطية جزء من خسائرها.

كما شرح السعيدي انّ نسبة السيولة الخارجية المطلوب تأمينها من قبل المصارف (3%) ضئيلة ولن ترضي المصارف المراسلة التي بدورها لن تعاود فتح خطوط اعتماد للمصارف اللبنانية، بل ستواصل تأمين التحويلات المالية التي تتوفر اموالها نقداً فقط، مما سيُبقي على التأثير السلبي على التجارة الخارجية للبنان وعلى تجارة المغتربين اللبنانيين الذين أودعوا اموالهم في المصارف اللبنانية

وتم تجميدها ممّا أدّى الى تعطّل كافة اعمالهم التجارية وبلغوا حدّ الافلاس.

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."

Interview on UAE's Hope Probe Mission, Dubai One, 8 Feb 2021

Click [here](#) to play the interview that appeared on Emirates News, Dubai One (telecast date: Feb 8, 2021).

Dr Nasser Saidi explains how [#HopeProbe](#) Mission will boost the UAE and regional economy. [#EmiratesNews](#) [#DubaiOneTv](#) [#UAE](#) [#Dubai](#) [@gregfairlie](#) pic.twitter.com/EESl0wZP3p

– Emirates News (@Emirates_News) [February 8, 2021](#)

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.’”

"Accelerating decarbonisation and digitisation can build upon UAE's game-changing reforms", Op-ed in The National, 27 Dec 2020

The op-ed by Dr. Nasser Saidi, titled [*“Accelerating decarbonisation and digitisation can build upon UAE's game-changing reforms”*](#), appeared in The National on 27th Dec 2020 and is reposted below.

Accelerating decarbonisation and digitisation can build upon UAE's game-changing reforms

The Emirates' monetary, fiscal and health stimulus packages cushioned the economy from the impact of the Covid-19 pandemic

Adjusting to Covid-19 has defined this year – from partial or full lockdowns to remote working and stalling global trade,

investment and tourism, with cleaner air the rare bright spot. Hopes of a V-shaped recovery diminished with the emergence of new Covid strain and subsequent lockdowns. Yet, despite the “Great Lockdown” resulting in a deep recession, markets are exuberant amid expectations that the production and distribution of several vaccines will create a path to normality in 2021.

Unlike the global financial crisis from 2008 to 2009, which began as a housing bubble and a demand shock, the current health crisis began as a supply shock that disrupted global supply chains and caused a spillover to the demand side, where it hit trade, tourism and consumption.

Given the widespread impact of the pandemic and despite concerted monetary and fiscal stimulus equal to 12 per cent of global gross domestic product, not only will the road to recovery be longer but the cumulative output loss will be much larger than during the 2008 financial crisis, with long-term scarring of labour markets and economies expected.

The UAE’s combined monetary, fiscal and health stimulus package – equal to 18 per cent of its GDP – cushioned the economy after a demand-induced oil price shock and the effects of a global lockdown.

After several weeks of movement restrictions and stringent health measures, the UAE’s public health system proved effective and resilient, allowing the economy to reopen earlier than regional peers.

While maintaining social distancing and applying Covid-19 protocols to keep the community safe, the UAE reopened offices, businesses, allowed tourists to enter and successfully held events and conferences – both online and on site. This bodes well for the delayed Expo 2020 Dubai and the resumption of tourism.

With the reverberations of Covid-19, the UAE’s policy reforms were spot on – from the game-changing 100 per cent foreign ownership of businesses to the remote working initiative to the retirement and 10-year residency visas for skilled professionals – amid the country’s intentions to become a

knowledge-based, innovative economy.

Liberalisation and market access reforms are set to attract foreign investment, boost capital flows to the property market, enhance workforce skills and support innovation and productivity growth.

With energy market volatility and lingering coronavirus-induced uncertainty, what activities can drive an economic recovery next year and support medium-term growth prospects?

For GCC oil producers, de-risking fossil fuel assets by following a strategy of part-privatisations and public-private partnerships in energy reserves, upstream and downstream operations and related infrastructure such as pipelines is important. This has started with Adnoc and Aramco.

With the oil price required to balance budgets higher than current prices, deficit financing instruments should be developed by governments. We can expect new government bonds to be issued next year that will encourage more corporate bond issuances and private debt placements.

The UAE is accelerating its decarbonisation efforts, focusing on energy efficiency, transitioning to renewable energy and building on its leadership in renewable energy projects and investment in climate risk mitigation and adaptation.

Greater investment in agriculture technology for food security, which includes sustainable vertical farming and desert agriculture, should take place in tandem with the sustainability and energy efficiency drive.

Decarbonisation and the diversification of the energy mix will support the growth of the UAE's capital markets through the issuance of green bonds and sukuk, as well as the financing of PPP and privatisation deals for renewable energy and clean technology.

Indeed, the UAE can become a regional, if not a global, centre for renewable energy finance.

Covid-19 has led to a strong impetus to digitise as working and learning from home became more popular. The UAE should build on its strong e-commerce and e-services base by massively investing in 5G to support the Internet of Things

and building smart cities and infrastructure.

This is critical for the retail sector to move online from brick-and-mortar shops. Liberalising the telecoms sector and lowering the costs of broadband services will help the country become a fully digitised economy and a regional hub for digital services.

The UAE has world-class core infrastructure in transport and logistics, power and telecoms. These assets can serve infrastructure-poor countries in the region, East and Central Africa, India, Pakistan and Central Asia. Electricity from solar power can be exported through cross-country, integrated grids.

Finally, the UAE's normalisation of relations with Israel heralds a new regional economic geography: new trade and investment opportunities, as well as the reduction of geopolitical tensions.

Dr Nasser H Saidi is a former Lebanese economy minister and founder of the economic advisory and business consultancy Nasser Saidi & Associates

Comment on Favourite Book for 2020 in An-Nahar, 24 Dec 2020

Dr. Nasser Saidi was asked to choose his favourite book for 2020 and his comments were [published in An Nahar](#) on the 24th of Dec 2020. The English translation is posted below.

Favourite book: "The Uninhabitable Earth" by David Wallace-

Wells

Covid19 is a sharp wake up call to humanity that, despite rapid advances in technology, it is not immune to physical risks. An infinitesimally small virus has brought human activity to a standstill. However, pandemic risks are trivial compared to climate risks which pose an existential risk to humanity. We have entered the 'Anthropocene age' where humans are systematically destroying their environment, their livelihood, their home and their planet. Past geological epochs were the result of external forces of nature or cosmic events. This time it is human action that is leading to calamitous climate change. In this Anthropocene age, we are rapidly destroying our global ecosystem, invading animal habitats, committing ecocide. The result is pandemics and a breakdown of barriers between human and other animals, threatening our inbuilt immune systems and built-up health systems and infrastructure. David Wallace-Wells book warns us about "The Uninhabitable Earth", and that future is upon us if we do not immediately act. Decarbonisation, 'green deals' and 'blue deals' are imperative if we and other animals are to survive. There is no planet B!

**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."

"Economic boost tipped after UAE company 'game-changer'", comments in Arab News, 26 Nov 2020

Dr. Nasser Saidi's comments appeared in the Arab News article titled "Economic boost tipped after UAE company 'game-changer'" and can be accessed directly [here](#).

Comments are highlighted below.

Economics expert Nasser Saidi said: "The liberalization of foreign ownership laws breaks down major barriers to the right of establishment. The reform is a game-changer."

"It will encourage foreign direct investment, but also lead to a recapitalization of jointly owned companies and encourage entrepreneurs to invest in businesses and new ventures. Importantly, it will encourage the retention of savings in the UAE," Saidi added.

"Along with the change in visa regulations, the new reforms will boost the UAE's growth prospects," Saidi said.

"How the US elections matter

for the Middle East", Op-ed in The National, 2 Nov 2020

The op-ed by Dr. Nasser Saidi, titled "[How the US elections matter for the Middle East](#)", appeared in The National on 2nd Nov 2020 and is reposted below.

How the US elections matter for the Middle East

The bottom line is that the outcome of the US elections will directly impact a host of global issues

The opinion polls largely predict a win for Joe Biden on Tuesday.

FiveThirtyEight, a political analysis website, in its extensive analysis and simulations too favours Mr Biden, barring a major polling error. But a contested election is probably on the cards, given the likelihood that more than 90 million postal ballots – mostly Democrats – are likely to be systematically challenged by Republicans.

With a day left for the US Presidential elections, what would a potential change of guard at the White House mean for the Middle East? What is at stake?

First, a potential return to multilateralism and international co-operation from the current unilateral policies of withdrawal from the Paris climate accord, the Trans-Pacific Partnership or the World Health Organisation or the Iran nuclear deal.

International co-operation – such as the Global Access Facility – will be critical when the vaccine for Covid-19 is

ready and needs to be distributed globally.

A widespread availability of vaccines is a global public good. A discriminatory or preferential national treatment would be detrimental to the global economy and hamper recovery from the pandemic.

More broadly, a US reversion to multilateralism would be welcomed internationally. This would mean less confrontation on trade, tariffs and investment policies with China, the EU, Canada-Mexico and others. This would lead to a win globally and – by encouraging non-US trade and investment – result in a cheaper dollar.

Significantly, under a Biden administration, global policy uncertainty, which has been peaking, would diminish. This would, in turn, encourage trade, investment flow and global economic recovery.

Lower, volatile oil prices and a strong dollar along with US tariffs on aluminium and steel, have cost a number of Arab countries over the past four years.

Currently, GCC members are pegged to the dollar. Oil is priced in dollars, trade is dollar denominated – a strong dollar penalises sectors like trade, tourism, transport and logistics that these countries have relied on for economic diversification.

Given the Covid-19 lockdown and the global energy transition away from fossil fuels, it is unlikely – given weaker demand – that oil prices will revert to levels seen a few years ago: the IMF's latest World Economic Outlook puts oil prices, based on futures markets at \$41.69 in 2020 and \$46.70 in 2021 versus an average price of \$61.39 last year.

But a likely cheaper dollar under Mr Biden would support an economic recovery in the region, driven by the non-oil sector, tourism and services exports – and as countries reopen in phases – also in foreign investment in real estate.

The impact on the oil market will be more important.

A re-elected Trump administration would continue its policies: supporting US shale oil, encouraging drilling, rolling back

climate-related regulations, supporting US oil and gas exports, thereby weakening oil prices.

By contrast, a Biden administration would be climate and environment policy friendly, would revert to the Paris Agreement and support renewable energy.

In a scenario where fossil fuel demand is already weak, an additional push towards renewables would reduce US supply but also demand.

The affect on oil prices would depend on the balance between demand and supply effects, and not necessarily downwards. Oil exporters in the region are still highly dependent on oil. Lower oil revenue implies limited fiscal room and higher fiscal deficits.

As real oil prices trend downward, fiscal sustainability becomes increasingly vulnerable. The risk of being left with stranded assets then becomes the elephant in the room.

According to the International Energy Agency, stranded assets refer to “those investments which have already been made but which, at some time prior to the end of their economic life, are no longer able to earn an economic return”.

The strategy imperative is the need to re-emphasise diversification policies, along with a policy to de-risk fuel assets.

National oil companies and state-owned enterprises, that are majority owners or operators of oil and gas assets, would need to pursue a plan of low-carbon energy transition – in addition to the unlocking of greater immediate value from fossil fuel assets.

Examples are the Aramco IPO and Adnoc’s pipeline network deals. This could be complemented by a major drive to accelerate investment in and an adoption of green energy policies, by both government entities and the private sector.

The bottom line is that the outcome of the US elections will directly impact a host of global issues – from dealing with Covid-19 and climate change, de-escalating confrontation and preventing a cold war with China, restoring confidence in multilateral agreements and institutions like the WHO, the WTO, the UN and geopolitics, along with repercussions on regional power struggles involving Israel, Iran, Turkey and a number of Arab states.

Important as these issues are, the other bottom line is the

need for a renewed focus of the regions' oil producers, on economic diversification strategies and de-risking fossil fuel assets within a well-designed, time-consistent energy transition strategy.

Dr Nasser H Saidi is a former Lebanese economy minister and founder of the economic advisory and business consultancy Nasser Saidi & Associates

Comments on the need for diversification in MENA, The National, 27 Oct 2020

Gita Gopinath, the IMF's chief economist, Reza Moghadam, vice chairman of global capital markets at Morgan Stanley and Nasser Saidi, former Lebanon economy minister took part in the IMF panel debating Covid-19 challenges and policy priorities for the Mena region along with Jihad Azour, director of the IMF's Middle East and Central Asia Department.

Dr. Nasser Saidi's comments (posted below) appeared in the article titled "[Covid-19 underpins need for economic diversification and structural reforms in Mena, IMF says](#)" on The National's online edition dated 27th October 2020; these statements were taken from a panel discussion mentioned above.

Governments in the region, especially those in the hydrocarbon-rich six-member economic bloc of the GCC, had been diversifying their economies before the virus outbreak. However, the focus on greener economies and a drop in oil demand in the face of lower consumption and climate change concerns is underlining the need to accelerate the reform

process.

"This is a moment of opportunity of a lifetime that we got hit by Covid. We should go back to the drawing board and ask ourselves not only how we should diversify, [but also] what sort of fiscal policy rules we should be imposing, how we develop monetary policy ... how we develop counter-cyclical policies," Mr Saidi said.

"Most importantly, structural change, what do we do about labour markets," he said, adding that these issues have come to the fore and will become increasingly important for the region's economies.

"Eight steps to pull the Lebanese economy back from the brink", Op-ed in The National, 28 Oct 2020

The article titled "[Eight steps to pull the Lebanese economy back from the brink](#)" appeared in The National on 28th Oct 2020 and is reposted below.

Eight steps to pull the Lebanese economy back from the brink

Without the immediate implementation of these comprehensive reforms, Lebanon is heading for a lost decade

Lebanon is engulfed in a long list of overlapping and

connected problems –fiscal, debt, banking, currency and balance of payments crises – that together have created an economic depression and a humanitarian crisis. People are going hungry: food poverty has affected some 25 per cent of Lebanon's own population. But the fiscal and monetary instability has caused [more than just a shortage of bread](#).

Confidence in the banking system has collapsed. The Lebanese pound has depreciated by 80 per cent over the past year.

Inflation is at 120 per cent and hyperinflation – a runaway increase in prices – is on the horizon.

Unemployment has risen to 50 per cent, leading to mass emigration and depleting Lebanon of its main asset: its human capital.

The [explosion at the Port of Beirut](#), combined with the Covid-19 lockdown, created an apocalyptic landscape.

It aggravated the country's economic crises. The cost of rebuilding alone exceeds \$10 billion – more than 35 per cent of the this year's GDP – which Lebanon is incapable of financing.

Prospects for an economic recovery in Lebanon are dismal. The new government must recognise the economy's large fiscal and monetary gaps and implement a comprehensive, credible and consistent reform programme.

The immediate priorities are economic stabilisation and rebuilding trust in the banking and financial system.

Lebanon desperately needs a recovery programme – akin to the Marshall Plan that helped rebuild Europe after the Second World War – of about \$30-35bn, in addition to the funds to rebuild Beirut's port and city centre.

To achieve this, the new government will have to implement rapidly an agreement with the International Monetary Fund, based on a national consensus. The confidence-building policy reform measures over the next six months must include:

A credible capital controls act to protect deposits, restore confidence and encourage the return of remittances and capital back into the country. Credit, liquidity and access to foreign exchange are critical for private sector activity, which is

the main engine of growth and employment.

The restructuring of public, domestic and foreign debt to reach a sustainable ratio of debt to GDP. Given the exposure of the banking system to the debt of the government and central bank (known by its French acronym, BDL), public debt restructuring would involve a restructuring of the banking sector, too.

A bank recapitalisation process that includes a process of merging smaller banks into larger banks. Bank recapitalisation requires a bail-in of the banks and their shareholders (through a cash injection and the sale of foreign subsidiaries and assets) of some \$25bn, to minimise a haircut on deposits. This will require passage of a modern insolvency law.

Monetary policy reform is needed to unify the country's multiple exchange rates, move to inflation targeting – that is, price stability – and shift to greater exchange rate flexibility. Multiple rates create market distortions and incentivise more corruption. The BDL will have to stop all quasi-fiscal operations and government lending. Credible reform requires a strong and politically independent banking regulator and monetary policymaker.

Reform the Electricite du Liban (EDL), the country's largest utility, and appoint a new board to improve governance and efficiency.

Reform the inefficient subsidies regime that covers electricity, fuel, wheat and medication. These generalised subsidies do not fulfil their purpose – only 20 per cent goes to the poor.

All that the subsidies do is benefit rich traders and middlemen and they are the basis of large-scale smuggling into sanctions-ridden Syria. Subsidies reform should be part of a social safety net to provide support for the elderly and vulnerable.

Pass a modern government procurement act. This would help prevent corruption, nepotism and cronyism.

Restructure and downsize the public sector. Start by removing the 20 per cent of public sector “ghost workers” – people on

payrolls who don't actually work for the government – and establish a National Wealth Fund, a professional holding company that would independently manage public assets. These include basic public utilities like water, electricity, public ports and airports, Lebanon's carrier Middle East Airlines, the telecom company Ogero, the Casino du Liban, the state-run tobacco monopoly and others, in addition to public commercial lands.

These assets are non-performing, over-staffed by political cronies and suffer from nepotism. In most cases, they are a drain on the treasury.

A comprehensive IMF programme that includes structural reforms is necessary. It is the way to restore trust in the economy and win back the trust of the private sector, the Lebanese diaspora, foreign investors and aid providers. This would then attract funding from international financial institutions and [Cedre Conference](#) participants, including the EU and the GCC.

Such measures, if properly executed, would translate into financing for reconstruction and access to liquidity. They would also stabilise and revive private sector economic activity. Without the immediate implementation of these comprehensive reforms, Lebanon is heading for a lost decade.

Nasser Saidi is a former Lebanese economy minister and first vice-governor of the Central Bank of Lebanon

Comments on a year after protests in Lebanon in

Reuters, 16 Oct 2020

Dr. Nasser Saidi's comments appeared in the Reuters article titled "[A year on, Lebanon's protests have faded and life has got worse](#)", published 16th October 2020.

Comments are posted below:

"I think young people are trying to survive, that's why they're not going to the streets. I think they've been frightened because they've been threatened," said Nasser Saidi, a leading economist and former minister.

"We've never had anything this bad."

Comments on Lebanon's subsidies in Reuters, 9 Oct 2020

Dr. Nasser Saidi's comments appeared in the Reuters article titled "['We're scared': Lebanon on edge as time and money run out](#)", published 9th October 2020.

Comments are posted below:

"Everything that happened since last October could have been avoidable," Nasser Saidi, a former vice central bank governor, told Reuters.

He said targeted aid to the poorest Lebanese would be more effective than subsidies across the board, which had benefited smugglers taking goods into Syria.

"It's all kicking the can down the road. What should have been done is a full economic and financial plan," Saidi said.

Comments on Lebanon's economy in Arab News, 25 Aug 2020

Dr. Nasser Saidi's comments appeared in the Arab News article titled "[Can Lebanon avoid the Venezuela meltdown scenario?](#)", published 25th August 2020.

Comments are posted below:

A former economy minister of Lebanon has coined a word for it: "Libazeula." Nasser Saidi, who ran the economy at the turn of the century and was also No. 2 in the Banque du Liban, the country's central bank, says Lebanon faces a scenario that could see it reduced to the chaotic impoverishment of Venezuela, once the richest state in Latin America but now a byword for political, economic and humanitarian failure.

"Lebanon is on the brink of the abyss of depression, with gross domestic product (GDP) declining by 25 percent this year, growing unemployment, hyperinflation, humanitarian disaster with poverty exceeding half of the population," Saidi told Arab News.

"Throw in food poverty that could grow to famine conditions, and a continuing meltdown in the banking and financial sectors, and the collapse of the currency, all leading to mass migration. This is the 'Libazuela' scenario." "With Lebanon being the fulcrum of a geopolitical confrontation between the US and Iran, local actors will play strategic games at the expense of an expendable Lebanese population," Saidi said.

Saidi is not optimistic this [genuine commitment by Lebanese leaders to reform] will come to pass. "The reform scenario requires concerted pressure by the international community, including the imposition of personal penalties and sanctions,

on Lebanese bankers and politicians and policymakers for the implementation of reforms,” he said. “The entrenched kleptocracy, a corrupt political class, banking and financial sector cronies are unwilling to make reforms that would uncover the extent of their corruption, criminal negligence and incompetence. Currently, the Libazuela scenario is more likely.”

Comments on the Beirut blast & Lebanon’s crisis, Bloomberg, 13 Aug 2020

Dr. Nasser Saidi’s comments appeared in the Bloomberg article titled [“Lebanon’s Deepening Economic Crisis Laid Bare by Beirut Blast”](#), published 13th August 2020.

Comments are posted below:

*With talks at an impasse and the nation locked out of international debt markets, Lebanon’s central bank began printing money with abandon, causing the value of the currency to plunge further and igniting inflation, which neared an annualized 90% in June. **“We are heading the way of Venezuela,”** says Nasser Saidi, a former economy minister.*

Prices in the import-dependent nation—including those for food staples, which had soared 250% in the 12 months to June—are no doubt headed higher as a result of the blast, which damaged the country’s main grain silo and other infrastructure vital to commerce. Saidi estimates the country’s imports will drop by more than 70% this year.

The ruling class “has to be removed. They have to resign and go away. If they don’t go, we will get increasing violence in

the street,” says Saidi, the former economy minister. “To do this we need sustained international pressure, from Macron, from others, and if necessary sanctions—international sanctions at the personal level that hit these people where it hurts.”

Saidi’s comparison to Venezuela is apt. There, the divided opposition has been unable to unseat a government that’s driven the economy of the petroleum-rich nation into the ground. In Lebanon, opposition forces have yet to conceive a viable alternative to the sectarian quota system.

Comments on Lebanon's financial sector post-Beirut blast, S&P Global Market Intelligence, 12 Aug 2020

Dr. Nasser Saidi’s comments appeared in the article titled [“After blast, Lebanon’s ‘uninvestable’ banks face sector rebuild, depositor pain”](#), published by S&P Global Market Intelligence on 12th August 2020.

Comments are posted below:

*“Lebanon doesn’t have the fiscal space to fund the reconstruction of the public sector infrastructure destroyed in the explosion, and has no ability to borrow either because no one will lend to the country,” former vice-governor of the Lebanese central bank Nasser Saidi told S&P Global Market Intelligence. He said the **banks will need to restructure, sell assets and consolidate.***

“The bankers and the central bank are trying to resist that and push the burden of adjustment on to the government and

depositors,” said Saidi, who has also held the positions of Lebanon’s minister of economy and trade, and of industry, and is president of consultancy Nasser Saidi & Associates.

“The banking system will have to be restructured,” said Saidi. “Banks will have to downsize, sell the assets they hold abroad and repatriate the proceeds, sell their real estate holdings, and rebuild their balance sheets if they want to stay in business ... there will be M&A.”

Saidi estimates that about 60% of Lebanon’s debts are due to interest rate increases designed to protect the pound, and criticized the central bank for failing to officially devalue the currency.

Saidi said Lebanon could solve the crisis by enacting capital controls, unifying the pound-to-dollar exchange rate, restructuring state-related debts and removing general subsidies. Up to \$30 billion is needed to restructure the public sector, and a further \$25 billion to restructure and recapitalize the banking sector, he said.

Comments on Lebanon, FT, 8 Aug 2020

Dr. Nasser Saidi commented on the economic and financial meltdown in Lebanon in the FT article titled “Currency collapse fuels mass protests in Lebanon” published on 8th Aug 2020.

The full article can be accessed at:
<https://www.ft.com/content/0e8aff25-629c-4737-a1dc-8ed4ee32447e>

The comment is posted below:

“A corrupt political class, subservient policymakers and

cronies have generated an unprecedented misery, an economic, banking, and financial meltdown,” says Nasser Saidi, a former economy minister and vice-governor of the central bank after the war. “Their endemic corruption, criminal negligence and incompetence have now delivered the Horses of the Apocalypse disaster on Lebanon and the Lebanese.”

Comments on the blast in Lebanon's Beirut in Arab News, 6 Aug 2020

Dr. Nasser Saidi's comments appeared in the Arab News article titled "[Doctors on emergency duty describe horror of Beirut explosions](#)", published 6th August 2020.

Comments are posted below:

“The scale of the destruction is unprecedented, even by Beirut's sad history of explosions,” Nasser Saidi, a former economy and trade minister and founder of Nasser Saidi & Associates, told Arab News from Beirut.

“On a global scale, this was the most powerful explosion after Hiroshima and Nagasaki, and more devastating than Halifax (1917) and Texas City (1947) where 2,300 tons of ammonium nitrate exploded,” he said. “The resulting loss of life and injuries to residents has generated deep anger. The ammonium nitrate had been in storage at Beirut port since 2014, posing a clear danger. It was a disaster waiting to happen.”

“This is a case of criminal neglect by the authorities and management in charge of the port, customs, the security and judicial authorities and governments. Warnings were given, but they went unheeded. There must be justice and accountability.”

Saidi warned the explosions will deepen the economic, banking and financial meltdown, currency depreciation and soaring inflation. The destruction of the port will hit Lebanon's imports of food, medicines and essential goods.

"International aid is required not only to address humanitarian needs but to push for political reform," he said. "The Diab government cannot continue blaming the accumulations of past bad governance."

"Lebanon faces the abyss as political elites dither", Arab News article, 28 Jul 2020

Dr. Nasser Saidi's interview comments appeared as part of the Arab News article titled "Lebanon faces the abyss as political elites dither" dated 28th July 2020.

The comments are posted below; access the complete news article (including sound bites from Dr. Saidi) [here](#).

"The view of the Hirak (Lebanon's protest movement) is that we probably need a total breakdown before we can change things," said Nasser Saidi, Lebanon's former economy and trade minister and founder of Nasser Saidi & Associates. "I love this quote from Giuseppe Tomasi Di Lampedusa: 'We have to change everything if nothing is to change.'

"It's only when it becomes practically unliveable that you are going to get change. But if you look at the experience of other countries in similar situations, two things are comparatively different. The first is that, politicians always shift the discourse to a pro-communitarian versus pro-

sectarian, pro-Syrian versus anti-Syrian, pro-Iranian versus anti-Iranian, pro-8th of March versus pro-14th of March, pro-Hariri versus anti-Hariri thing," he said.

"Once the country's ruling elites frame the current crisis in sectarian and confessional terms, all the other initiatives concerning reform will go out the window.

"The second thing is to change the narrative. As protests amplify, the ruling elite will say that this is now a matter of national security."

All of this may be already happening. On June 25, President Michel Aoun delivered a speech on Lebanon's stability, in which he referred darkly to an "atmosphere of civil war" and portrayed the anti-government protests as an attempt to stir up sectarian discord.

"Ever since we have come to life in this country or in most of the Arab world, we have been told that security and stability is paramount to our survival," said Saidi. "Any challenge to the existing order is framed as a challenge to security and stability. But once you use that argument, then you can start using the repressive forces of the state, and this is precisely what is happening today in Lebanon.

"The army and security services are quelling rising protests. Internal security services are now checking on the exchange rate prices at foreign exchange dealers."

The breaking point, said Saidi, will come in early September. "Give it a maximum of 90 days and we will see an explosion in the streets. Hospitals will start closing, schools and universities will not be able to open. People cannot afford to send people to school. You will most likely no longer have electricity and once you no longer have electricity, everything else will break down, including communications."

Saidi believes Lebanon's ruling elites will try to divert

attention from the increasing misery in the country.

“The misery index, which is the sum of the unemployment rate and the inflation rate, in Lebanon now is over 100 percent,” he said.

Pointing to central bank losses of \$50 billion and reports of unorthodox accounting practices by the bank’s governor, Saidi said: “They are refusing to admit that they made mistakes, that there are embedded losses in the system, that there was a Ponzi scheme by the central bank – the banks benefited from this, and the shareholders of the banks and big depositors benefited from it.

“What’s most significant is that they got their money out with the connivance of the central bank. Individuals who have their deposits or income in Lebanese pounds have seen their wealth and income go down by around 70 percent. The only other cases I have seen like this are following hyperinflation after the two world wars in Europe and the end of the Soviet Union. There is now a destruction of the middle class in Lebanon, as happened in the 1980s.”

Lebanon’s only hope lies with reform, Saidi said. “There will be no help from outside, from other Arab states or Europe, or the IMF and the international community, until reforms are made internally.”

Comments on Lebanon's links to Syria's economy in Gulf

News, 16 Jul 2020

Dr. Nasser Saidi's comments appeared in the Gulf News article titled "[Syria's collapse compounded by COVID-19](#)", published 16th July 2020.

Comments are posted below:

"Economic collapse in Lebanon lowers the demand for imports from Syria and leads to the firing and rising unemployment of Syrian workers in Lebanon," said Nasser Saidi, a Lebanese economist and former minister. Speaking to Gulf News, he added: "This results in a decreased flow of remittances to Syria. The freezing of the deposits of Syrians (individuals and businesses) in Lebanese banks results in an inability to finance Syrian imports and trade through Lebanon."

He added: "The financial, banking and fiscal crisis in Lebanon means increasing pressure in supplying/smuggling of fuel, wheat and other subsidised commodities into Syria."

Comments on China's Belt and Road Initiative & the Middle East in Al Monitor, 6 Jul 2020

Dr. Nasser Saidi's comments on China's Belt and Road Initiative & the Middle East appeared in the article titled "[China's 'Belt and Road' push brings risks, rewards to Mideast](#)" in Al Monitor's 6th July 2020 edition. The comments are posted below.

As UAE economist [Nasser Saidi](#) observed in his talk at the

Harvard Kennedy School in 2018, the digital corridor project or a space station would complement the UAE's national space program and help lift economic sectors to the next level. Collaboration in such innovative technological fields has also been described in detail in the "1+2+3" cooperation pattern laid out in the Arab Policy Paper of 2016.

Comments on the Caesar Act in The National, 27 Jun 2020

Dr. Nasser Saidi's comments on the Caesar Act appeared in the article titled "[Lebanon braces for 'pain' of Caesar Act amid financial meltdown](#)" in The National's 27th June 2020 edition. The comments are posted below.

Because of the close historical ties between Lebanon and Syria, the law will make business between the two countries "more problematic and expensive" and "hurt Lebanon", said Nasser Saidi, a former vice-governor of Lebanon's central bank.

The Caesar Act provides for secondary sanctions, which significantly widens its scope, he said.

"In other words, they are imposing sanctions on Syrian entities and business people and also on the people who deal with them," Mr Saidi told The National.

Should the US decide to impose sanctions against the Syrian central bank, transactions inside the country "would be highly complicated", said Mr Saidi.

Comments on the Lebanese Pound in Washington Post, 26 Jun 2020

Dr. Nasser Saidi's comments on Lebanon's currency appeared in the article titled "[Lebanon's currency takes a new dive, and there is no end in sight](#)" in Washington Post's 26th June 2020 edition. The comments are posted below.

In the absence of a clear policy path ahead, there is no bottom to the value of the Lebanese pound, said Nasser Saidi, a former Lebanese finance minister who is now a financial consultant based in Dubai.

Citizens have lost trust in the banking system and the country is shifting to a cash-only economy. Some retail outlets have started accepting only dollars, which are hard to find. U.S. and European sanctions against neighboring Syria have deprived that country of dollars, too, making Lebanon the chief destination for Syrians seeking to fund imports there, increasing the demand for dollars, Saidi said.

Government revenue, meanwhile, has skidded to a halt because of the shutdowns and economic retraction, forcing the Central Bank to print Lebanese pounds to fund government expenditures, including salaries for the bloated civil service.

"Those go into the market and they are chasing fewer and fewer dollars," Saidi said. "There is no longer any anchor for the value of the Lebanese pound and we are going into the unknown."

Comments on the Lebanese Pound in the Independent Arabia, 21 Jun 2020

Dr. Saidi's comments on Lebanon's exchange rate appeared in an [article](#) in The Independent Arabia on 21st June 2020.

The comments are posted below:

برأي وزير الاقتصاد والتجارة السابق، النائب الأول لحاكم مصرف لبنان السابق ناصر السعيدي، فإن "القيود على الأموال المنقولة بما فيها الودائع بالعملات الأجنبية في المصارف، تؤدي إلى فارق بين قيمة الموجودات في الدولة وخارج الدولة، فما يُسمى بالـ "لُولار"، أو "الدولار اللبناني"، هو نتيجة طبيعية لتلك القيود"، مشيراً إلى أن "هذا الأمر يحصل في لبنان بشكل غير قانوني يؤدي إلى عشوائية في النظام المالي، والمصرفي ويؤدي إلى التشوهات التي نراها في سعر صرف الليرة في الأسواق".

وقال السعيدي إن "لبنان بات على أبواب انهيار تام لسعر الصرف العام، في حال عدم حصول اتفاق مع صندوق النقد الدولي على الإصلاحات المطلوبة"، معتبراً أن "تدخل مصرف لبنان نقدياً في السوق لن ينفع لأن قدرته باتت محدودة"، مضيفاً أن "الحقيقة المرّة هي أن مدخرات اللبنانيين وجنى عمرهم في طور التبخر إذا لم تحصل الإصلاحات المطلوبة في أسرع وقت".

وفي معرض رده على أوجه التشابه بين الأزمة الاقتصادية في لبنان، ونماذج الأزمات العالمية الأخرى، قال إنه "لا تجوز مقارنة ما يحصل في لبنان بنموذجي قبرص، أو اليونان، إنما هناك بعض أوجه الشبه بما حصل في الأرجنتين، وفنزويلا، وغيرها من الدول ذات الاقتصادات المدولرة".

Comments on Lebanon's currency fluctuations in Reuters, Jun 11 2020

Dr. Nasser Saidi's comments on the Lebanese pound and fluctuations appeared as part of the Reuters article titled "[Lebanese pound changes hands near 5,000 per dollar, market sources say](#)" published on 11th June 2020. Comments are posted below.

Nasser Saidi, a former economy minister, said the pound's decline had accelerated because of increased demand for dollars in neighbouring Syria, where the local currency has also hit record lows as new U.S. sanctions are set to come into effect. "There is the beginning of panic in Syria over the availability of dollars. This has transferred itself into increased demand in the Beirut market," he said.

Comments on Lebanon's recent BDL appointments in Reuters, Jun 10 2020

Dr. Nasser Saidi's comments on recent appointments in Lebanon's central bank appeared in the Reuters article titled "[Lebanese government picks central bank vice governors, fills top state jobs](#)", published on 10th June 2020.

Comments are posted below.

Nasser Saidi, a former economy minister, said the government lost credibility by approving the proposed nominations for the central bank, the banking control commission and the capital

markets authority.

"We missed a historical opportunity...The banking sector is at the heart of any rescue plan for Lebanon," he said. "You need a restructuring of the debt, of the financial sector, and you need people who are not political appointees to oversee that."

Comments on Lebanon's IMF Assistance Request, various, May 2020

Dr. Nasser Saidi's comments on Lebanon's request for IMF Assistance appeared as part of various newspaper articles. A collection of comments and original links are provided below.

1. The Reuters article titled "[Lebanon's IMF rescue plan fails to set reform roadmap](#)" was published on 18th May 2020. This was later reprinted as a [Brinkwire article](#) was published on 30th May 2020.

The political elite will shy away from real reform as with four previous aid and soft-loan packages since Lebanon's civil war – and that they are underestimating how hard the IMF will push for deep changes before agreeing to help.

"They are trying to present a plan that the IMF will buy into, and that the international community and creditors will buy into, without really addressing the deeper problems in the country: reforms", said Nasser Saidi, a former economy minister and vice-governor of the central bank.

2. The Daily Star article titled "[IMF assistance a 'bitter pill' to swallow](#)" was published on 26th May 2020.

Enhancing tax compliance will be another challenge. Former

Lebanese Economy Minister Nasser Saidi, believes removing banking secrecy is the sort of robust reforms needed. "Many professional do not pay tax or underreport their taxes. Lawyers, doctors, MPs. If you try to find out their wealth or income you come up against banking secrecy."

Another issue is smuggling. Customs and tariffs are likely to go up, Saidi predicts, "but if there is still smuggling you destroy your ability to collect them."

IMF-support would – to begin with – allow for a desperately needed debt restructuring to restore confidence. This would mean the nominal sum of debt would be reduced, the maturities extended and interest payable cut.

"If the IMF is on board, the holders of debt will be willing to accept the restructuring. That is why the IMF matters," Saidi explains. Yet IMF-backing for such a restructuring would come with three to five years of austerity, according to Saidi.

"We need to be cognizant of the fact that real income is going to go down. People are going to be poorer. That is not going to improve, indeed it may get worse. It is a bitter pill."

Comments on Saudi Arabia's austerity drive in Reuters, 12 May 2020

Dr. Nasser Saidi's comments on Saudi Arabia's austerity drive & tripling of VAT were part of the Reuters article titled "Promise of future prosperity fades as austerity hits Saudis'

pockets”, which was published on 12th May 2020.

Comments are posted below.

Dubai-based economist Nasser Saidi said any additional revenues from the VAT hike would be negligible and the move will likely sharpen the recession. “It would add an unnecessary shock to the system at a time when businesses are struggling to stay afloat, households are experiencing lower incomes and expatriates without jobs are returning home,” he said.

Comments on Lebanon's rescue plan and IMF request in Reuters, 1 May 2020

Dr. Nasser Saidi's comments on Lebanon's economic rescue plan and request for IMF assistance were part of the Reuters article titled "[Lebanon banks reject rescue plan as government asks IMF for help](#)", which was published on 1st May 2020.

Comments are posted below.

“This means the onset of serious negotiations with the IMF so this is very important and good news because it removes a lot of uncertainty. Having said that, the issue in Lebanon has always been one of execution,” former economy minister Nasser Saidi said of the 53-page plan.

“Economic and Political War in Lebanon”: Interview with the Independent Arabia, 26 Apr 2020

An [interview on the Economic and Political War in Lebanon](#)

appeared in The Independent Arabia on 26th Apr 2020.

The text is posted below:

حرب سياسية – اقتصادية “في” لبنان ذات أبعاد إقليمية ودولية

ليس في الأفق ما يؤشر إلى الهدوء في لبنان، في ظل الانقسام السياسي الحاد والعجز الرسمي عن إرساء أي حلٍّ وسط للانقسام العمودي بين جبهة المصارف وعلى رأسها حاكم المصرف المركزي رياض سلامة ومن خلفه الأحزاب المعارضة، في مقابل “جبهة الممانعة” التي يقودها رسمياً رئيس الحكومة حسان دياب.

تقاذف المسؤولية

ويشير مصدر مصرفي رسمي إلى أنه نتيجة هذه الحرب “السياسية – الاقتصادية” التي تتخذ أبعاداً إقليمية ودولية، قد يكون الشارع موقع الانفجار بعدما بلغ الوضع المعيشي ذروة تأزمه والحركات الاحتجاجية لا تأبه لقرار التعبئة العامة ولا لأي قرار حكومي آخر بالتزامن مع انهيار سعر صرف الليرة أمام الدولار إلى مستويات قياسية قد لا تتوقف عند العتبة الحالية المقدرة بـ 4000 ليرة مقابل الدولار. ويضيف المصدر ذاته أن “حزب الله وحلفاءه يريدون تحميل مسؤولية سياسات الحكومات المتعاقبة خلال السنوات العشر الأخيرة، لحاكم مصرف لبنان، في حين أنه كان لديهم حضور واسع في تلك الحكومات لا سيما منذ أربع سنوات مع بداية عهد الرئيس ميشال عون، إذ كان معظم مفاصل السلطة بيدهم”، مفنداً بالأرقام سبب خسارة

حوالى 84 مليار دولار، ويقول إن "سلاح حزب الله وانخراطه في الحروب الإقليمية تسبباً بخسارة حوالى 36 مليار نتيجة لانقطاع السياح العرب عن المجيء إلى لبنان وانخفاض ثقة المغتربين في بلدنا وتراجع الثقة الاستثمارية"، مضيفاً أن "مرحلة تعطيل انتخاب رئيس جمهورية لبنان التي دامت حوالى سنتين ونصف السنة كبّدت الاقتصاد خسائر تُقدر بـ13 مليار دولار، إضافةً إلى سوء الإدارة والهدر والفساد في قطاع الكهرباء والجباية الجمركية والتهرب الضريبي التي تتجاوز قيمتها الـ33 مليار دولار".

في المقابل، يردّ معسكر "الممانعة" على تحميله مسؤولية تكبيد الاقتصاد اللبناني خسائر بالمليارات عبر النائب ميشال ضاهر، بالقول إن الهندسات المالية للمصرف المركزي بفائدة 31 في المئة سنوياً هي أكبر فضيحة، وكلفت وحدها مصرف لبنان مبلغ 5.6 مليار دولار، في حين أنه كان يمكن طرحها بفائدة لا تزيد على 7 في المئة لأن كلفة التأمين في السوق الدولية للبنان حينها لم يكن يتجاوز الـ3.5 في المئة، سائلاً "إذا كانت هذه الهندسات المالية شكلاً من أشكال الرشاوى للطبقة السياسية".

الدولار إلى 6 آلاف

وبين حرب المعسكرين وتقاذف المسؤوليات، ارتفعت أسعار السلع الاستهلاكية بما يتراوح ما بين الـ30 والـ50 في المئة، وخسر المواطن من راتبه الشهري أكثر من 62 في المئة من قيمته الشرائية، إذ بات راتب الموظف الحكومي يوازي 400 دولار والأستاذ حوالى 500 دولار والعسكريين 300 دولار، في حين كان الحد الأدنى للرواتب في لبنان يعادل 500 دولار أميركي وهي بالكاد تكفي لتأمين أساسيات المعيشة في هذا البلد.

وتعليقاً على ذلك، يرى وزير الاقتصاد اللبناني السابق الدكتور ناصر السعيد، أن نسبة التضخم باتت حوالى 40 في المئة وهي مرشحة للارتفاع مع انهيار سعر الصرف، قائلاً إن "أرقام البنك الدولي تشير إلى أن نسبة الفقر تجاوزت الـ50 في المئة وبلغت نسبة الفقر المدقع 25 في المئة من الشعب اللبناني، وهذه الأرقام تؤشر إلى كارثة إنسانية آتية في الأشهر الثلاث المقبلة وهي تشبه المجاعة التي حصلت بعد الحرب العالمية الأولى". ويضيف أنه "لا سقف لانهيار الليرة أمام الدولار، الذي يمكن أن يصل سعره بسهولة إلى ما بين 5 و6 آلاف ليرة وارتفاع البطالة لحدود الـ40 في المئة في ظل غياب خطة اقتصادية فورية"، داعياً الحكومة اللبنانية إلى التفاوض مع صندوق النقد الدولي حول خطة شاملة تتضمن إعادة هيكلة دين الدولة

والمصرف المركزي والقطاع المصرفي وإصلاح المالية العامة من أجل ضخ ما بين 25 إلى 30 مليار دولار في الاقتصاد اللبناني خلال ثلاث سنوات. ويعتبر السعيدي أنه "على الحكومة اللجوء إلى الصندوق النقد العربي للاستفادة من برنامج تمويل التجارة الخارجية والاستفادة من خدمات استيراد النفط والغذاء والدواء، وعدم التذرع بوجود شروط سياسية كون المطلوب من المجتمع الدولي إصلاحات اقتصادية ونقدية وخطة إنقاذية شاملة".

احتياطي المركزي ينفذ

ويشير إلى أن "الأسباب المباشرة التي أوصلت الانهيار إلى هذه المستويات الخطيرة بدأت مع إقفال المصارف لمدة ثلاثة أسابيع في أكتوبر (تشرين الأول) 2019 وفرض القيود على الودائع، ما زاد الطلب على الدولار، بخاصة أن لبنان يستورد حوالى 85 في المئة من سلعه الاستهلاكية والصناعية، ما أدى إلى ثلاثة أسعار لصرف الدولار، الأول رسمي بـ 1520 ليرة والثاني المعتمد في المصارف وفق تعميم حديث للمصرف المركزي بـ 2600 ليرة، وثالث في السوق الموازية، وصل إلى 4000 ليرة مقابل الدولار". ويوضح أنه "في المقابل، زاد عجز الموازنة الأوضاع سوءاً، فتراجعت مداخيل الضرائب والجمارك بنسبة 60 إلى 70 في المئة. بالتالي، لم تعد الدولة قادرة على تمويل العجز من خلال بيع سندات، فألقي الضغط على مصرف لبنان الذي بات عاجزاً عن التدخل في السوق، حيث الاحتياطي بالعملات الأجنبية بالكاد يكفي لتلبية حاجات الغذاء والأدوية والنفط للأشهر المقبلة والمقدرة ما بين 3 إلى 5 مليارات دولار".

القطاع الخاص أيضاً

في المقابل، يرى المحلل الاقتصادي جهاد الحكيم أن "هناك غياباً تاماً للتدفقات المالية من الخارج، وفقدان الثقة في النظام المالي اللبناني في ظل تقاذف المسؤوليات بين مكونات السلطة والمصارف وحاكم مصرف لبنان، ما يزيد الطين بلة ويضاعف الضغوط على سعر صرف الليرة الذي بات من دون أي سقوف. ويشير إلى أن "الانخفاض في قيمة الرواتب لا يطال العسكريين والموظفين في القطاع العام فقط، إنما أيضاً القطاع الخاص لا سيما أن كثيرين صُرفوا من وظائفهم، كما هناك مياومون وغيرهم من أصحاب المصالح لا يتقاضون حالياً أي مدخول". ويضيف أن "السعر الرسمي المعتمد لدى المصرف المركزي بـ 1520 ليرة يقتصر فقط على الدواء والمحروقات والقمح، وفي حال لم يعد بالإمكان سداد القروض السابقة بالدولار على سعر

الصرف الثابت (1520) فسيختلف تقريباً الجميع عن السداد للمصارف، ما سيفاقم خسارتها". ويعتبر في المقابل أن "انهيار أسعار النفط وتقلص حجم الاقتصاد بشكل دراماتيكي، سيحدّان من خروج الدولارات، ممّا يساعد مصرف لبنان على دعم هذه المواد لفترة أطول ممّا كان متوقعا".

دولة منكوبة

ويلفت الحكيم إلى التدايعات الاجتماعية الخطيرة الناتجة من الانهيار الاقتصادي "إذ تكمن المشكلة الحقيقية، بعد ما تعرض له الشعب اللبناني من عملية هدر، لم تقتصر على تبيد الإيرادات الضريبية وأموال القروض الدولية، إنما طاوت مدّخراته وودائعه في المصارف، وصولاً إلى سرقة حاضر ومستقبل الشعب وبالأخص الشباب"، معتبراً أنه "لم يعد سهلاً على الشاب اللبناني متابعة دراسته في الخارج، كما أن السفر بات أمراً صعباً، إذ سيتحمل المواطن أكلاف باهظة في مقابل تحويل أمواله إلى العملات الأجنبية بما أن مدخوله بالليرة اللبنانية". ويضيف أن "لبنان شبه المعزول عن محيطه، بعدما تكشّفت أزمته المالية الاقتصادية غير المسبوقة، أصبحت الشروط التفاوضية لمواطنيه الباحثين عن عمل في الخارج ضعيفة جداً، مثل الدول المنكوبة اقتصادياً، ما ينعكس على كبرياء اللبناني الذي لطالما كان ناجحاً ولامعاً أينما حلّ في العالم".

Comments on cannabis legalization in Lebanon in Arab News, 24 Apr 2020

The article titled "[Can cannabis legalization rescue Lebanon's ailing economy?](#)", published by Arab News on 24th April 2020 carried the below comments from Dr. Nasser Saidi.

Among those expressing guarded optimism is Dr. Nasser Saidi, a former chief economist at the Dubai International Financial Center who was Lebanon's minister of economy between 1998 and

2000.

The move to legalize marijuana for medical use makes a great deal of sense for Lebanon, he said, noting that the country has long been a producer of hashish.

"In particular, the crop has helped the poorer areas of Lebanon, mainly the Bekaa Valley, and allowed agriculturalists to survive because many of their other crops aren't necessarily exportable," Saidi told Arab News.

"For the more traditional crops like potatoes, beetroot, olives and others, there is a lot of competition, whereas for hashish there is much less competition.

"Lebanon can build its reputation as a source of quality hemp. Medicinal marijuana in particular can be an important high-value export product."

Saidi draws a parallel between Lebanon's decision to decriminalize cannabis production, manufacturing and its use with the policies of some advanced industrial countries.

Pointing out that the US and Canada have legalized use of marijuana, hemp and hashish without any negative fallout, he said: "There is no reason why Lebanon should not be able to successfully and securely decriminalize hashish."

Similarly, Saidi, who served as vice governor of the Central Bank of Lebanon for two terms, said the new law should not amount to control of the business by Lebanese politicians.

"Hashish growers are afraid that legalization means the industry will come under the control of a government-licensing administration or body, which could then be open to abuse, corruption and clientelism," he told Arab News.

"They will tell you they fear that licensing will be monopolized by politicians and their cronies, enabling the latter to control the production, distribution and export of hashish – to the detriment of the growers."

Saidi said legalization should mean decriminalization with a light regulatory structure but not a strict licensing system.

"You cannot, in a country with Lebanon's corruption levels, institute a system for the farming, manufacturing and distribution of hashish that can be monopolized by the state

currency in Reuters, 21 Apr 2020

The article titled "[Lebanese depositors to get 'market rate' dollars in LBP -central bank](#)", published by Reuters on 21st April 2020 carried the below comments from Dr. Nasser Saidi.

Nasser Saidi, a former economy minister and ex-vice central bank governor, said the move was an effective formal devaluation in excess of 50% and represented the "lirasation" of deposits.

The step would lead to runaway inflation and impoverishment, he added. "Time for accountability for failed monetary & exchange rate policies," he wrote on Twitter.

Comments on the NMC saga & recommendations, FT, 17 Apr 2020

Dr. Nasser Saidi commented on the ongoing NMC Health saga, with recommendations for the regulator in the FT article titled "NMC scandal proves a boon for global advisers" published on 17th April 2020.

The full article can be accessed at: <https://www.ft.com/content/edf10938-7500-11ea-90ce-5fb6c07a27f2>

The comment is posted below:

To bolster local ability to handle such crises, Nasser Saidi,

a governance consultant, says the financial regulator's powers could be expanded into a supervisory body to screen regional companies seeking to list abroad. He also believes that a UAE version of the UK's Companies House – providing information on corporate ownership and financials to the public – would benefit transparency.

Comments on GCC's Covid-19 stimulus measures & oil prices in S&P Global Platts, 26 Mar 2020

Dr. Nasser Saidi's comments appeared an article titled "UAE seen as GCC nation best able to weather oil crash, coronavirus" that appeared in S&P Global Platts on 26th Mar 2020.

Comments from the article are posted below. The full article can be accessed [here](#).

With all GCC countries set to post fiscal deficits, they may have few options in plugging the shortfall.

"Given the ongoing financial crisis, the debt overhang of around \$500bn in the GCC will make it increasingly difficult for sovereigns and corporates to finance their deficits through borrowing as access to banking and financial markets will become more difficult and expensive," Nasser Saidi, president of Dubai-based consultancy Nasser Saidi & Associates, said.

Comments on Surviving the Covid-19 economic crisis in MEED, 24 Mar 2020

Dr. Nasser Saidi's comments appeared an article titled "Surviving the Covid-19 economic crisis" that appeared in MEED on 24th Mar 2020.

Comments from the article are posted below. The full article can be accessed [here](#).

"It looks like the oil price war that is now launched is a strategic move by Saudi Arabia to weaken or destroy shale oil," says economist Nasser Saidi, founder and president of Nasser Saidi & Associates.

"It was bound to happen. There are two factors negatively effecting oil – renewables and shale. Shale was eating into the Opec plus share. They either wait and continue to lose market share or they act. They could choose now or later. They chose now."

"I estimate that because of the losses, the GCC needs to raise \$160bn-180bn in 2020 to maintain current spending deficits and provide financial support to some industries such as aviation," says Saidi.

No significant announcements have been made about projects being delayed or cancelled in the region, but the projects sector will be significantly affected by cuts to capital spending. *"The likelihood is that many will be delayed or postponed," says Saidi. "And the net result is that structural adjustment, in terms of diversification, will be more difficult unless they bite the bullet and open up privatisation and public-private partnerships (PPPs). To me, this is the time to provide incentives."*

Comments on the economic impact from Covid19 in Washington Post, 16 Mar 2020

Dr. Nasser Saidi's comments appeared an article titled "The Middle East is already wracked by war. Now it must confront the coronavirus, too" that appeared in the Washington Post on 16th Mar 2020.

Comments from the article are posted below. The full article can be accessed [here](#).

Oil producers in the Persian Gulf countries will be forced to cut back spending, and countries elsewhere that depend on remittances from expatriates in the gulf region will also suffer, said Nasser Saidi, a Dubai-based economist and former Lebanese finance minister.

Lebanon is in the throes of a financial crisis that has seen its currency collapse amid widespread street protests. Iraq, which depends on oil for almost all its income, will be badly hit at a time when political protests there have rocked the country.

The region will almost certainly slide into recession, Saidi said.

"It means unemployment will get worse. It means socioeconomic conditions will deteriorate. There will be more distress, more social problems and more political protests," he said. "It's not a pretty picture for the Middle East."

Comments on the NMC saga & Gulf firms IPO plans, Bloomberg, 9 Mar 2020

Dr. Nasser Saidi commented on the ongoing NMC Health saga & Gulf firms IPO plans is part of the article titled "Oil price war, coronavirus see Gulf firms reconsider IPO plans" published by Bloomberg on 9th March 2020.

The full article can be accessed at:
<https://www.bloomberg.com/news/articles/2020-03-09/want-to-make-a-gulf-dealmaker-laugh-ask-when-is-the-next-ipo>

The comment is posted below:

"When big prominent firms like NMC falter where standards were not respected, maintained and monitored, they generate reputational problems for not just the UAE but the whole of the Middle East region," said Nasser Saidi, the former chief economist of Dubai's financial centre.

Comments on Lebanon's foreign currency reserves in FT, 8 Mar 2020

Dr. Nasser Saidi's comments on Lebanon's foreign currency reserves appeared in the article titled "Lebanon set to default for first time as foreign currency reserves dive" published in the FT on 8th March 2020.

The full article can be accessed at:

<https://www.ft.com/content/bda10536-6145-11ea-a6cd-df28cc3c6a68>

Comments are posted below:

Nasser Saidi, a former central bank vice-governor, estimated that usable reserves had fallen to “about \$3bn to \$4bn”. He said this was because the gross reserves included \$18bn to \$19bn set against deposits for commercial banks that the BdL could not spend because of reserve requirements. In addition, the BdL has lent local institutions about \$6bn to \$7bn to help them cover their commitments to correspondent banks, Mr Saidi said.

“It is now urgent that the government opens up negotiations with the IMF,” Mr Saidi said, “because you’re going to need help with balance of payments, even to fund your imports”.

Comments from the Middle East Energy 2020 conference in Gulf Today, 3 Mar 2020

The below comments were published in Gulf Today, in an article titled [“Global energy platform spotlights latest breakthroughs, challenges”](#), on the basis of the discussion at the Middle East Energy 2020 conference, held in Dubai on 3rd March 2020. Dr. Nasser Saidi’s comments are posted below.

Nasser Saidi, Chairman, Clean Energy Business Council Mena, said, “Currently, there are seven gigawatts of renewable energy projects in the region and this is very encouraging for the transformation of the energy mix in GCC countries. If you look at prices, we are currently at \$0.14 per kilowatt for

renewable energy and heading towards \$0.01. This means the region is not only at the forefront in adopting renewable sources such as solar power, it means fossil fuel power generation is now being outcompeted by renewables.”

He added, “If you’re going to invest in the regional energy sector, it has to be in renewables. They are much more efficient, cleaner for the environment and can be achieved at much less cost.”

Saidi also added that ending regional energy subsidies, which have historically kept energy prices lower, will benefit both public and private sectors, consumers and the planet, with money previously set aside for subsidies instead being utilised in renewables-based research and development, job creation and a greater understanding of how much energy is being consumed versus how much is actually needed.

The clean energy advocate also stressed the region is primed to take the lead in energy grid integration, stressing his desire for “everyone across the GCC to have their own power plant” is unnecessary.

“Let’s integrate the grids across the UAE, across the GCC. Integrated cooperation across the GCC will make for greater efficiency. It means that if there is a surge in energy demand in one location, it can be satisfied by other countries on the grid.” Saidi told Middle East Energy delegates that while clean energy targets are a start, they mostly form part of a wider framework centred around climate policy and decarbonising economies for the future, insisting Mena governments and energy companies are already in the driving seat to chart a decarbonised future.

“There is an enormous opportunity for the region to invest in the industry and create jobs. We’ve long been energy consumers; now we should become exporters of renewable energy. There’s no reason why we cannot be at the forefront, as producers of solar technology, to link Europe and North Africa,” added Saidi.

“If there’s one place where we should be doing research and development in solar it is here, not in Europe. We have

approximately 355 days of sunshine. Let's take the lead, build homegrown technology and become exporters of that technology. We can partner with countries such as China who are at the forefront of solar technology. I think this is the answer."

Comments on UAE's gas discovery in The National, 7 Feb 2020

Dr. Nasser Saidi's comments on the UAE's discovery of 80 trillion cubic feet of gas reserves in Jebel Ali is part of the article titled "Jebel Ali gas discovery could end Dubai's LNG imports by 2025" published by The National on 7th February 2020.

The full article can be accessed at: <https://www.thenational.ae/business/energy/jebel-ali-gas-discovery-could-end-dubai-s-lng-imports-by-2025-1.974897>

The comments are posted below:

The gas finds increase "the need for integration of energy infrastructure in the UAE when you have got Sharjah, Dubai and Abu Dhabi making these discoveries", said Nasser Saidi of economic advisory company, Nasser Saidi & Associates.

With possible room for exports from abundant reserves, there is also a greater impetus towards developing onshore liquefaction facilities if the country looks to become a gas exporter, he said.

"It opens the potential to enter into the LNG market which requires onshore LNG liquefaction," he said.

Interview with Arab News on Lebanon's economy, 5 Feb 2020

Dr. Nasser Saidi was interviewed by Arab News on the state of the Lebanese economy: he provided his views on addressing the debt burden as well as financial support for the country. He states that a rescue package is needed 'to restore confidence' and kick-start major banking reforms.

The article, titled "[Former Lebanon economy chief in plea for \\$25bn bailout plan](#)", was published in Arab News on 5th Feb 2020 and is posted below.

Former Lebanon economy chief in plea for \$25bn bailout plan

A former Lebanese economy and trade minister has called for a second Paris summit to bail out the debt-ridden nation with financial support of up to \$25 billion.

Nasser Saidi, who is also a former deputy governor of Lebanon's central bank, told Arab News that restructuring of the country's banking system is needed urgently and that "depositors should not have to pay for banks' mismanagement." Financial support of between \$20 billion and \$25 billion is needed "to restore confidence," he said.

The former minister's comments come almost two years after a Paris conference rallied international support for an \$11 billion investment program in Lebanon. More than 50 countries, including Saudi Arabia, the US and Russia, took part in the summit alongside the World Bank, the IMF and major finance institutions.

Saidi told Arab News: "We need to address Lebanon's debt burden as part of a comprehensive macro-economic fiscal,

financial, banking and currency reform program. The debt problem cannot be viewed in isolation.”

The country’s sovereign debt is now running at \$90 billion, or 160 percent of gross domestic product (GDP), he said. The cost of servicing the debt is around \$10 billion, which is 22 percent of GDP and more than 65 percent of government revenue – “a debt burden that is totally unsustainable.”

Lebanon’s central bank also owes \$120 billion to the country’s banks that it is unable to repay. “So when we talk about the problem, it means addressing the sovereign debt problem and the central bank debt problem,” Saidi said.

He said the \$11 billion in infrastructure spending promised at the 2018 Paris meeting “is no longer relevant because Lebanon’s financial circumstances have changed radically.”

“Lebanon is in a recession that will become a depression, meaning that GDP might decline by 8 to 10 percent this year,” the former minister warned. “An economic stabilization fund of around \$20 to \$25 billion is required for balance of payments problems, dealing with liquidity at the banks and, at the same time, it would need to be accompanied by a restructuring of the banking system.

Saidi urged major shareholders to help Lebanon’s struggling banks recapitalize with cash injections drawn from past profits.

“Recently Bank Audi sold its subsidiary in Egypt. Other banks should sell their subsidiaries outside and bring their money home. They may have other investments they can liquidate, such as real estate, in order to increase capital.”

The former minister claimed that “with the \$25 billion Lebanon requires, confidence will be restored, and you can start attracting capital back into the country.”

Commenting on recent government reforms in the energy sector, including electricity, Saidi said: “It is totally unrealistic; power plants can be built in six months. We need to stop corruption and waste. GE, Siemens and the Chinese can build plants in six months. The fuel bought now is priced above international prices, so the government should approach Gulf

countries and ask them to supply us with fuel at international prices or even lower, in line with what they did for Egypt in the past.

“That would reduce our fuel and electricity bill by \$3 billion. This package needs to be completed with a social safety net since, according to World Bank figures, one-third of the Lebanese population is living below the poverty line,” he said.

"What Are the Top Three Priorities for Lebanon's New Government in the Coming Weeks?", Comment in Inquiring Minds, Diwan (Middle East Insights from Carnegie), 30 Jan 2020

Dr. Nasser Saidi was asked to provide his responses to the question “What Are the Top Three Priorities for Lebanon’s New Government in the Coming Weeks?” as part of a comment in Inquiring Minds, published by Diwan (Middle East Insights from Carnegie) on 30th Jan 2020. The comment is posted below and link to the original article is [here](#).

What Are the Top Three Priorities for Lebanon's New Government in the Coming Weeks?

Nasser al-Saidi | President of Nasser Saidi & Associates, former Lebanese economy minister

The Lebanese government must focus, first, on a macro-fiscal-financial-banking program. Lebanon's key macroeconomic indicators point to a severe economic, financial, banking, currency, and current account crisis: a fiscal deficit of 15 percent of GDP and climbing; a sovereign debt equivalent to 160 percent or more of GDP; inflation nearing 30 percent; a depreciation of the Lebanese pound in the parallel market of around 40 percent; and officially declared international reserves of \$31.5 billion, while Morgan Stanley estimated net reserves at \$11.5 billion at the end of 2019.

The immediate step required is for a ministerial crisis task force (not another "committee") tasked to prepare a macro-fiscal-financial-banking reform plan, in coordination with the International Monetary Fund (IMF) and the World Bank to include sovereign and central bank debt restructuring. The aim is to rapidly, within the next four weeks, establish an Economic Stabilization and Liquidity Fund for Lebanon, multilaterally funded by the IMF and World Bank, along with the Paris IV participants amounting to some \$25 billion in order to stabilize the economy, support growth promoting infrastructure investment (in partnership with the private sector), fiscal reform, balance of payments support, banking sector (including the central bank) restructuring and debt restructuring, by providing guarantees of principal of restructured, longer maturity debt.

Second, the government must provide a social safety net. The sharp drop in economic activity (given the lack of government, business, and consumer confidence amid growing protests) has led to growing layoffs and unemployment, business closures and bankruptcies, falling incomes, a severe decline in household

consumption, thereby pushing more people into poverty. The World Bank estimates the extreme poverty rate, that is people below the food poverty level, at 20 percent of the population (760,000)*, while 41 percent of the population (1,500,000) is below the poverty line. The government needs to set-up a targeted social safety net (via cash transfers mainly) to provide support for the elderly and most vulnerable segments during the painful reform process, with the aim of lowering inequality and reducing poverty in the medium term.

Third, the government must introduce an anti-corruption and stolen asset recovery program. Endemic corruption, bribery, nepotism are a cancer eating and destroying Lebanon's economy and its social and political fabric. Lebanon is the 37th most corrupt nation out of total 180 countries. Protestors have, justifiably, focused on high-level corruption. The new government must prioritize combating corruption at all levels by appointing and empowering a special anti-corruption prosecutor and unit and implementing an anti-corruption program with respect to taxation and revenue collection as well as reforming government procurement law and procedures. In addition, the state must recover assets that have illicitly and criminally appropriated by politicians and their associates.

Recovering stolen assets can be a wealth-generating strategy if implemented properly with complete transparency. Lebanon will require international cooperation and building appropriate capacity to support asset recovery. It must abolish the Banking Secrecy Law of 1956, lifting the veil on the misappropriated monies and assets of politicians, their cronies, and civil servants.

Is there an opportunity for Lebanon to get out of the crisis? Dr. Nasser Saidi's interview with Al Arabiya, 7 Jan 2020

The TV interview (in Arabic) can be viewed at:
<https://ara.tv/cx8n3>

هل من فرصة للبنان للخروج من الأزمة؟

ناصر السعيدي: لا بد من إصلاح القطاع المصرفي وإعادة رسميته

قال وزير الاقتصاد اللبناني الأسبق، الدكتور ناصر السعيدي، إن الوصفة الأمثل لخروج لبنان من الأزمة المالية والاقتصادية تبدأ من تشكيل حكومة جديدة تكون مستقلة لتحصل على مصداقية، بالإضافة إلى معالجة مشكلة المديونية العامة، من خلال سلسلة إجراءات تشمل رفع أسعار الوقود وخصخصة بعض الأصول الحكومية، مثل شركة طيران الشرق الأوسط والمطار والاتصالات.

وأكد السعيدي في لقاء له مع "العربية" أن لبنان يواجه عدة أزمات منها السياسية ومالية ومصرفية ونقدية وأزمة حول المستقبل والحلول، وهو ما يتطلب أن تتشكل لدينا حكومة ذات مصداقية داخلية وخارجية وهو ما يحتم وجود أشخاص مستقلين بدون تحيزات أو منتمين

لتيارات محددة وما معناه أن لا يكون بها أي محاصمة كما يتم حالياً. الاختصاص مهم لأن الموضوع الأساسي اليوم هو الاقتصاد والمال ويجب أن يعطى له كل الأهمية والدعم خلال هذه الفترة دقيقة وصعبة، وعلى سيكون هناك رئيس وزارة وأعضاء بالوزارة بالعزيمة المطلوبة لرفض التدخل السياسي بهذه الإجراءات".

وأضاف "لبنان بحاجة لإعادة هيكلة الدين العام وإعادة جدولة للدين العام لسبب بسيط هو إذا أخذنا حجم الدين ككل الخارجي والداخلي والذي يمثل أكبر من 155 من الناتج المحلي والفوائد على الدين تمثل 10% من الناتج القومي وتمثل 50% من إيرادات الدولة وهو أمر غير مستدام. وما عنيته بإعادة الجدولة هو تخفيض الدين العام وتخفيض قيمة الدين الداخلي وإعادة جدولة على فترة طويلة مع خفض الفائدة وخفض الفوائد على الودائع. المطلوب أن تأخذ كل الاستحقاقات الداخلية والخارجية بالعملات الأجنبية والعملات الوطنية التي ستستحق خلال السنوات القادمة وإصدار لسندات جديدة تستحق على 5 و 10 سنوات بفوائد أقل . وهو ممكن وستكون كلفة خدمة الدين منخفضة جذرياً ومجال أن يأخذ الأشخاص خطوات أخرى لتخفيض العجز الأولي. وعلى لابد من إصلاح القطاع المصرفي وإعادة رسملته".

ويرى السعيد أن إعادة هيكلة الدين العام قد تساهم في الخروج من الأزمة. كما يجب أن يتم إصلاح قطاع البنوك وإلغاء ربط العملة الوطنية بالدولار بالإضافة للدخول في برنامج إصلاح اقتصادي مع صندوق النقد الدولي.