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23rd Arab-U.S. Policymakers Conference

*Framing and Charting the Region's Issues, Interests, Challenges, and Opportunities:
Implications for Arab and U.S. Policies*

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“ARAB-US BUSINESS, FINANCE, & HUMAN RESOURCE DEVELOPMENT”

Chair:

Mr. John Pratt - Member, Board of Directors, and Distinguished International Affairs Fellow, National Council on U.S.-Arab Relations.

Speakers:

Ambassador (Ret.) Patrick Theros - Executive Director, U.S.-Qatar Business Council; former U.S. Ambassador to Qatar.

Ms. Nahlah A. Al-Jubeir - Senior International Affairs Fellow, National Council on U.S.-Arab Relations; Director, Center for Career Development, Saudi Arabian Cultural Mission; former Deputy Director for Financial and Administrative Affairs, Saudi Health Mission in Washington, DC.

Mr. Nathan Regan - Country Manager for the United States, Bahrain Economic Development Board, Embassy of the Kingdom of Bahrain.

Mr. Steve Lutes - Senior Director of Middle East Affairs, U.S. Chamber of Commerce; former Senior Legislative Affairs Specialist, Office of Legislative and Intergovernmental Affairs, International Trade Administration, U.S. Department of Commerce.

Dr. J. W. Wright - Senior Director, Economic Growth Division, Creative Associates International; former Managing Director for the International Programs, American Institutes for Research.

Mr. Titus Johnson - Vice President Commercial Americas, Qatar Airways; former Vice President Sales and Marketing the Americas, Air Berlin.

Remarks as delivered.

[John Pratt] Thanks so much. Thank you for that nice introduction.

It's good to be back. I've been in Arabia for 35 years, and just sort of transitioning back to Washington with Saudi Aramco. Out of those 35 years I spent 25 years with the American Business Association in the Eastern Province doing many things with them, doing issues, development. I was vice president of the organization for maybe ten years. Clearly we didn't believe in regime change, we sort of stayed with it, so we've got the Chairman Dave Cantrell out there.

I was also during my tenure out there chairman of the regional AmChams the Middle East Council of the American Chambers of Commerce, and with the U.S. Chambers of Commerce in affiliation, we used to come back to Washington and run "door knock" campaigns up on the hill talking about public policies issues that basically affected trade in the region. Basically taxation issues of how do we keep Americans abroad.

We talked about building capacity on trade and the public policy side of things, standards cooperation with the Saudi government to make sure their American products didn't get excluded unnecessarily from the market. We also looked at foreign military sales as a key component of our trade posture and security assistance program.

So it was a very good 25 years that I had out there with the American Business Association. But the bottom line was that we wanted to make sure that we maintained capacity out there. It wasn't just easy to - you just don't in today's world, 2013 figures, \$70 billion worth of exports to the region, basically 75 percent of that goes to the GCC. That just doesn't happen by somebody calling up and ordering off the Internet. It doesn't happen by having Amazon deliver by FedEx. You have to have a sales force out there, Americans committed on the ground. You've got to basically make sure they stay there. Sustainability is key.

We're competing with international trading partners that basically have an advantage over us. Americans that go abroad are taxed based on citizenship and not residency. All other trade competitors except for the Philippines are taxed on residency. So as unfortunately Dave Camp was getting the message up on the Hill, Rep. Camp was Chairman of Ways and Means and he was coming to the conclusion that maybe a territorial-based taxation scheme would be advantageous.

Unfortunately he's decided to step down. So again we talk, and we'll be talking that in the coming years as we continue to march up on the hill. Basically once a

year they bring back – the American Business Associations bring back about 30 business leaders. Many of the people, corporate reps out there, go to the hill for about a week of discussions, and we I think run about 250 to 300 meetings talking on these issues and talking sustainability.

Dave Bosch was president of the American Business Association Eastern Province before moving back to Washington. Les Janka, who's in the audience I believe, was President of the American Business Association in Riyadh. Clearly AmCham in Abu Dhabi is vibrant, the one in Dubai is vibrant. Oman is sustaining itself. Kuwait is up and running. Qatar is there. We've got a chapter in Riyadh and a chapter in Jeddah.

So for the last 25 or 30 years these are the unsung heroes of the trade war, and also in conjunction with the Chamber of Commerce here in Washington and the Department of Commerce through their commercial attaches all around the Gulf have provided capacity to compete for American business and continue to move forward and build momentum.

That's my line and I'm sticking to it, but basically it's Americans abroad equals American exports. They generate exports and that translates into jobs at home.

The metric we used was basically – when we talked these issues – was about for every billion dollars worth of exports 16,000 direct jobs were supported or created, 32,000 indirect jobs were sustained. So if you do the math with \$70 billion any given year and moving forward it's increased by five percent, I think it was seven percent over 2012. We're making progress. Jobs at home are being created. Jobs at home are being sustained. But it's through the good efforts of the business community out in the region, the cooperation that we have with our local chambers, industries there also throughout the GCC. So it's a good story and I think it's worth sustaining.

Having said that I think Dr. Zogby's point was simply that look, what people out there want is just exactly what we want back here. It's education for our children, medical care, infrastructure capacity build, a combination of new and emerging technologies.

So what's the future? The future is when we look at the number of children out there that are under 20, 60 percent according to Judith Kipper. Whatever the number you want to use, it keeps shifting, the goal posts keep moving all the time. The point is if you're a politician, a political scientist, or a historian you look at this as a tremendous source of instability. If you're a banker, a finance guy, you look at this as a great boom for the future. Its banking lending

opportunities, housing creation, people have to buy things. Families are going to be formed.

So is it economically potentially a benefit or is it a political detriment? That is something that the business community looks at and says fundamentally it's good for everybody because that's - if these young people are going to move in and become with the mindset of being entrepreneurs and creating value and creating wealth and building capacity, getting married and having their own children and buying household goods - this is all economic activity that is beneficially a good thing.

But I don't want to hog the podium because I think we've got some excellent presentations coming up. I wanted to talk about students - 90,000 students from Saudi Arabia alone in the United States. They've been here for four years. Part of that educational process is taking what they've learned back home, but it just doesn't end when they get a BA and I think Nahlah's going to talk about that.

Next we're going to talk about the capacity build on aircraft and aviation, the industry generally in the region. Mr. Johnson from Qatar Airways is with us. Dr. Wright I think you're afterwards. You're going to talk about the Egypt-Jordan economic situation with regard to the studies that you just completed and looked at. After that is Ambassador Theros from the Economic Development Board of Qatar. And then we're going to talk about Bahrain. And then we're going to have the U.S. Chamber rep, Steven Lutes, bring up the entire - put the whole package together and say this is what's happening in the region from a macroeconomic perspective, this is where the opportunities are. And so businesses focus pretty much on the bottom line, so we'll try to keep it short, sweet, seven to nine minutes, on schedule, and have some deliverables in terms of insights and opportunities.

Thank you.

[Nahlah Al-Jubeir] Ladies, gentlemen, and distinguished guests, Salaam alaykum.

I head the Center for Creative Development that's part of the Saudi Arabian Cultural Mission. What we basically do is we -- the Saudi Cultural Mission oversees currently over 92,000 students studying in the United States at various levels, and they are majoring in every possible major you can think of, and even ones that you haven't thought of.

What we do at the center - the center was established in March of 2013 to assist Saudi students in broadening their skill sets, deepening their professional

experience by connecting them with potential internships and training opportunities in the United States, and also by helping them find jobs in the Kingdom with Saudi and international companies.

Another reason for establishing the Center was to build relationships with companies in need of talented Saudi employees to help them meet their business operational needs, and also to satisfy Saudi government requirements to promote employment of Saudis in all economic sectors.

So the need for the Center becomes evident when we consider the number of students in the United States. Just to give you an idea we have 92,278 students studying in the United States – bachelor, masters, and Ph.Ds. As I'm talking the number's changing. It's not a static number. It's a very dynamic number. It keeps changing. That number if we look at last year's statistics, we've seen an increase of about ten thousand students. Last year we had 82,547 students. This year we celebrated the graduation of over 10,500 students, an increase from 7,200 plus from last year. So we see the numbers are increasing annually.

Now that we have created the Center, what are the benefits for students training in the United States? Why do we want them to train here? Well, the Center is trying to assist students in finding internships and opportunities because we believe that students will gain from their experience, internships will provide opportunities for translating classroom learning into practical experience. It will provide them exposure to potential employers before making a final commitment about their future. They will also allow for cultural exchange between company employees and Saudi student graduates. Being businesspeople you know that if you have cultural misunderstandings you may be paying a hefty price because of that misunderstanding, so by working with U.S. companies you limit some of those problems.

Now we know what the benefits are for students. What are the benefits for companies that partner with our Center and provide internship and training opportunities for our students? Well, there are many. I'm not going to list all of them, but I will list some of them. One is you would have access to a large pool of well-educated Saudi students. You will have low overseas training costs of future students because they're trained here instead of taking them over to Saudi Arabia and bringing them back here. You'll have an opportunity to know prospective employees before offering permanent employment, so you're not bound by contracts that can be difficult to break. And you'll have the cultural exchange between company employees and Saudi student graduates. So employees get to know what we're like, which is sometimes different than what you would read or see in the media.

To continue on with the benefits, I want to add a side note. Students in the United States who are on an F1 visa, that is a student visa, are allowed by the U.S. government to work in the United States with that visa for 12 months, and if they are STEM students for 29 months, so if you're planning to hire students for one year or so you don't have to worry about changing the visa status, you don't have to file paper work, pay for the process. So that comes as part of the package.

Going now, that we mentioned the benefits for companies in the U.S. What about the benefits for companies that are in Saudi Arabia? They're basically the same. Two things I would like to add for the benefits for companies in Saudi Arabia is one, by working with us we can help them reach students to fill positions instead of them coming to the United States, trying to recruit them, incurring costs of travel expenses and all of that - we do it for them. The other one is by hiring Saudi students that have been educated in the United States, they're hiring students that are familiar with the U.S. culture, the language, so that in the future when they are dealing with their American counterparts they know where they're coming from, so that would lead to better communications and better business deals.

Okay, now that we have had that - benefits and everything - how can you connect with the Saudi students? What are the services we provide you to reach our students? We have a lot of them. We have many of them. And some of them would be: we post ads on our website, we have a job board, we have job fairs, etcetera. I have put up a flyer that's up front that briefly describes the benefits that we offer. At the same time it also provides some statistical information. I didn't want to go through the data, because I know it can be very boring listening to numbers so I'll let you look at it at your leisure. And that about wraps it up for me. I was going to do longer but I know that we are pressed for time so I cut it short.

If anybody has any questions about the services that we provide please feel free to approach me or send me an email. I'd be more than happy to answer any questions. And remember, dealing with us is beneficial for all of us because we're providing you with students to fill positions that you need to have filled, and we benefit because our students are getting experience that they need to take back home to Saudi Arabia.

Thank you so much.

[Titus Johnson] Thank you, John. Ladies and gentlemen, distinguished guests, Dr. Anthony, David Bosch, first of all thank you very much for the opportunity to speak about Qatar Airways today. And today is very poignant because exactly a year ago that Qatar Airways joined the One World Alliance.

Qatar Airways is not only a highly decorated, rapidly expanding, global aviation service, but we are the blueprint for the 21st century airline, a truly global company meeting the demands of a new generation of international travelers who are flying further and taking their business far beyond borders.

The airline business is the most competitive in the world, influenced by a great number of external factors, and with margins always under extreme pressure. But despite this Qatar Airways has grown 30 percent year-on-year since inception.

From our home in Doha, capital of the state of Qatar, we have expanded to 145 destinations across six continents, serving 18 million annual passengers on the industry's youngest fleet comprised now of 134 of the most modern, state of the art aircraft. But the company's primary ambition has never been to be the largest airline, but rather to be the world's best airline. Even as we've expanded our horizons, Qatar Airways has received an endless number of rewards and accolades for our service both in the air and on the ground. We were named the world's best airline in 2011 and 2012 by SkyTracks, and proudly stand with an elite group that holds the coveted five-star rating amongst airlines.

But airlines in the 21st century can't simply be about size and service. The whole industry must be committed to being an economic driver for the global community, one which facilitates growth and brings new opportunities, and allows businesses to consider new partnerships and venture into unknown territory. Here Qatar Airways distinguishes itself from a highly competitive landscape with our award winning world's best business class. While most other international carriers are focused on their first class cabins, Qatar has brought the same luxury comfort and amenities to the business traveler. Having been named the world's best for two consecutive years, our vision for business continues to evolve as with response traveler's feedback and expand to new destinations and seek to outdo even ourselves.

To comprehend our business class cabin, simply imagine a luxury spa, a world-class cinema, a five-star hotel, and a world-renowned restaurant, if all were indeed - if any of those things could fly. Our business class seats are fully adjustable. They're lie-flat beds, offering Dior amenity kits, designer sleeper suits, and full-size pillows. Our 17-inch LCD touchscreens provide over 1000 forms of audio, visual, and interactive entertainment to be enjoyed through noise cancelling headphones. Our celebrity chef menu is the only place above or below the clouds where you can sample Nobu, Tom Aikens, Vineet Bhatia and Ramzi Choueiri all on the same menu. Even our extensive wine lists were selected by our dedicated master of wine, who has gone so far to test his selections at a high

altitude testing on Mount Everest. While that may seem lavish, we believe the world needs a better business class for a better class of business.

Both here in the United States and around the world the average passenger is now flying further, and the old standards simply don't cut it for long distance flights. In response we've engineered a comfortable, productive space for business travelers to maximize their time in the air and arrive on time, refreshed, so fully focused on their business and their destination. But it doesn't have to end there. On the ground we have just unveiled the world's newest and most advanced airport, Hamad International Airport in Doha. At a cost of nearly \$15 billion, Hamad can serve over 13 million passengers at the moment with a projected capacity of over 15 million beyond 2015. Much like the world's best business class, Hamad is filled with luxury amenities such as a swimming pool, a fitness center, two squash courts, but the focus is still on the business traveler. Our Al Mourjan business class lounge is a spacious, productive environment complete with Qatar's five-star service and dining options.

The Middle East has already become the new center for world aviation, and millions of business travelers have already come to think of Hamad International Airport as their base of operations in the Middle East. Our membership in the One World Alliance and our strong partnership with American airlines here in the U.S. offers our customers today a network opportunity of over 800 worldwide destinations.

As we continue to define the airline of the future, the competition is fierce, it continues to get fiercer, and the challenges great and continue to get greater. But at Qatar we are confident that Qatar Airways will continue to lead the way as the world's only five-star airline facilitating world-class travel, expanding new horizons, and most importantly for all of us in the room driving global business into the 21st century and beyond.

Thank you.

[Dr. J. W. Wright] Thank you for having me here.

I just want to make a note to Dr. Anthony - you actually offered me a Malone Fellowship once, and then Fulbright took me, and that took me on a trajectory where I went into USAID afterwards, so you lost me to the donors but 20 years later I still think about the National Council very favorably.

I also want to say it's really interesting to me to see how things have changed. I am going to give you some new data, but I published a book in 1996 on business and economic history in Saudi Arabia, it was sponsored by the mission, and the

idea that just in that period of time there are now 100,000 students in the states – then I suspect it was probably around ten to 15. We were doing a series, which I wish the cultural mission would pick up again, which was publishing the research of Saudi doctoral students, because they either go back or they get absorbed in the companies and then people don't know how good their research was, but now we are seeing these people as heads of corporations, senior executives, and so forth. That's great.

I'm also going to put out a controversial marker – two things. I'm going to try to tie three disparate ideas together which is based on some research series we're doing – private sector investment, official development assistance, particularly in the Middle East, and then this idea of group disaffection and data that we're actually sponsoring with the Fund for Peace, or using the Fund for Peace's data. But I just want to put it out there. This whole discussion about the youth bulge – I know Andrew Natsios made it very popular, and I'm not someone that says it doesn't exist, but that's not enough, and it's also not enough to say that just because it's there we have to have some policies on it. We have to have distinct skills-based investment in these countries. We need workforce development that goes beyond foreign investment, and that's one of the things that our data's going to show.

One of the things that my company runs for USAID is a global program called the School Dropout Prevention Program. I wasn't really planning on talking about this, but almost every panel has talked about this issue of youth unemployment. By far, globally, the highest rate of when there is economic shock in a household that is the highest reason, most likely reason that someone drops out of school. So unless we start addressing some of these issues at the household income level, you're not going to get past some of these larger policy discussions.

So let me give you a couple of insights here. Creative Associates, you may know, is a development consulting firm – we're one of the largest. If you take out the U.N. agencies we're in the top five for USAID. We have some contracts with the Millennium Challenge Account, the World Bank, other international organizations. A few direct government contracts. Now, we're sponsoring two research series right now, and that's where I'm going to draw these bits of data from.

One is global trends and development, and we are looking in advance of the post-2015 Millennium Challenge goals following the processes, what's coming out of them, and we're trying to drive that down into the country level. I specialize in the Middle East for the most part.

Then we're also doing a series, and this is the one that's based on the fragile states index and the Fund for Peace data collection, and it's on fragility and resilience. And the whole point of this research series is to look to explore the correlates between economic growth, or the lack there of, and the drivers of conflict. And that's very interesting because what we've done is just take the indicators, the economic indicators, out of the portfolio of thirty-some, and each one of those has sub-indicators, and then we're following this up actually with surveys in country. But let me start with something - ten years ago even, certainly 20 years ago, official development assistance, donor agencies by far dominated the amount of money that was going for poverty reduction and other basics. Today it's only 19 percent. That's a third - that's literally a third of what it was 20 years ago and half of what it was ten years ago.

What does that mean? Well, if you look actually - public is now 19 percent. That means 81 percent either comes through private foundations, corporate social responsibility programs, which are now very large - well all sorts of investments, Islamic Development Fund - all of these have grown out of nothing. The Dubai Ports Authority now has a very large fund, and of course it invests in the areas that are in its interest, like workforce development, but there's a big change in the global, and in the Middle East there's even a bigger change because of direct government assistance. The Saudis giving money to the Egyptians and Emiratis.

So what does that have to do with anything? Well, so this correlates of economic growth and drivers of conflict series that we're doing - let me just give you two examples of how this fits together.

In Egypt for example, so right now the first three countries we're doing - we're finished with our study in Egypt. We have actually an analysis of the global data set. Pakistan and Honduras are the other ones we're doing right now. We're going to go on then with more of the Middle East. So political legitimacy - we want to talk about participation, political legitimacy, these sorts of things. Well the fact is that if you actually go through the indicators, the seven sub-indicators, and then into other types of polling, you find out that economic performance, the ability to get jobs, they really are how people perceive a government's ability to provide services or to be legitimate. In Egypt in 2013, on a scale of 1 to 10 - those economic indicators, 10 being bad, by the way - was 9. But what's sort of interesting about that was that they really weren't any higher in 2010. So you have to go deeper than just the unemployment rates.

So what we found out - and this is interesting - okay, for example inequality was actually more of a driver in peoples' perceptions of conflict than poverty. Okay. The fact that someone could be shut out of a job for "wasta" or that investment didn't plan or the equity isn't achieved - class inequity in employment was a

larger driver of conflict than unemployment. Now that's really kind of interesting. I can deal with being unemployed. There was 70 percent increase in Egypt in the last five years of jobs in the informal sector. Now, this is a big driver of conflict, because jobs in the informal sector aren't permanent, they're not protected by labor laws, and they don't actually get recognized investment. So no formal access to bank loans and so on and so forth. So if you look at what are not just the economic indicators, but what are the drivers of conflict in parallel with them, you get a really different and I think more defined view. On top of that, the larger picture Fund for Development indicators is group grievance and conflict risk. Now this is also very interesting because governments get overthrown by groups, we know this.

Interestingly enough, which goes along with some of the things that I was just talking about earlier is that the groups are different. They're dramatically different than what they were. The highest disaffection rate among Egyptians was actually the college student age, college students. They led in large part this revolution that probably the poor people in Upper Egypt would have never done. So what's happened is that there's been a shift of expectations among a group that actually provided stability, the middle class and the college graduates, and when their unemployment went dramatically up they actually knew how to organize. They actually knew how to seek investment. They knew how to do social media. So I think it's very interesting.

Now, let me give you another one that I personally find stunning, and hard to believe, but once you think about it I think you can see it. In the minds of many people, foreign direct investment is equated with corruption. Okay. Now, this creates a really odd cycle. So you're in Egypt, you're coming out of things. Jobs are the number one thing that Sisi has to do, and formal sector jobs, because the fact informality has reached such extraordinary heights means there's going to be investment, right? But because of the past history, the perception, the Suez Canal development, multi-billion dollar development is seen as buy offs, it's seen as foreign intrusion.

So, I don't know how to deal with this, but I want to put it out there. If youth, and it's the educated youth that are the most disaffected, if they want jobs but they don't trust the private sector then we've got a real problem.

And what I would put out to the members of the Council and the U.S.-Arab Chamber and the AMCHAMs around the world is that when your companies' make investment, let's think a little bit more, let's think about putting workforce development for the local populations into the equation, into the investment, and I don't mean some offset program where you build a hospital - that would be good - but I mean when you come in put in the training center because again

among the youth polled their disaffection with government was also related to the fact that they didn't have, even they perceived that they didn't have the skills to get new jobs. And when they see AMCHAM or universities publish that in fact there's 117,000 new jobs with American companies in Egypt, it's just they can't get them, or they're going to foreign labor. And while most of this - it's very interesting as well to see these things across borders.

Jordan is facing much the same thing but for four different reasons - obviously they have different population masses and migrations and so forth. But in Pakistan, for example, on the state legitimacy front the national government had almost no legitimacy whatsoever, provincial governments did. They are actually the reflection in provinces of how employment and education and government legitimacy. In Honduras, the government has no legitimacy at all. It said that in fact they didn't look for any level of government for services or jobs or anything else. By far the Mafiosos had the power and the resources.

So how does this affect the Middle East? I do want to try to push that, but look - you have in the GCC countries an odd mix of things. A really high approval rate of government services. I mean, the Saudis and the Emirates and the Kuwaitis - how could you not like the government services that you get in those countries or the infrastructure they're investing in? On the other hand, there's another study by a woman named Rasha Hakim, a fourteen-country panel analysis, and the return on investment in human capital in the Arab countries is lowest in the world.

What does that mean? Does it mean that investment in human capital is going back to the Philippines or does it mean - I don't know. But we have to correct it. The GCC is surrounded by unstable countries, even if it is unstable. And they are investing at record amounts to create political stability. It seems to me that we need to rethink that a little bit in our policy analysis, to look at the economic stability that is going to go along with this.

I think that the GCC countries, economies are failing badly in the point of youth employment, and not just youth employment - again you have to be really careful about this whole discussion about the youth bulge and youth employment because if household levels, there are many instances where we have invested improperly and household incomes have gone down because the kids have replaced their parents in the workplace. So it has to be tied to this institutionalization of workforce development in terms of training programs and so forth.

But this is again - in the GCC states you have this conundrum of they have wonderful facilities, they're not really having wonderful outputs in terms of

employment, and particularly in those politically sensitive age groups. And regional trade really hasn't gone up. Regional investment has actually gone up, but regional trade hasn't. That's an interesting thing if you're trying to create employment. I could go on and on. I think actually I'm one of the biggest fans of the Gulf States that there are, but I do think that the region itself is screaming for not just a discussion about the political dynamics, but about the economic and the employment stabilization interventions that need to happen.

Thank you.

[Ambassador Patrick Theros] I thought that was a marvelous piece by Dr. Wright. One of the problems that we face in the western world is that we have isolated economics, business, finance, and everything that goes with it away from the larger world. And it's gone on a long time. Too many of us have read Adam Smith, the Wealth of Nations, and forgot that he wrote another book known as the Theory of Moral Sentiments, in which he linked economics, morality, ethics, and politics. You can't take one out of the other, and yet I believe that we persist in doing so. We've marginalized the study of politics when we talk about business. We try not to relate business to its political effects.

Right now I would like to argue that the consequences of economic progress, of everything else that has happened that we cite so well in the Middle East is a large part of the turmoil that has occurred. The Policymakers Conference has opened under the shadow of the most momentous moment in the Arab world perhaps since the Saljuks took over.

This sounds a little bit pretentious, but remember it's been a millennium; almost one thousand years that Arabs once more are arbiters of their own fate. Until the twentieth century, few Arabs lived under governments run by Arabs. Until recently, most Arabs lived under governments whose ideological structures derived from Western models. Currently the Arab Spring has morphed into a transcendental reordering of the Arab world. National boundaries as set by non-Arab actors - I include the Turks and the Iranians with the Europeans and the Israelis - are at risk of being swept away. Existing Arab governments have become paranoid or worse. They cannot yet comprehend the magnitude of what has happened, nor truly grasp how to deal with the powerful forces that have been unleashed by the Arab Spring.

I was, about twenty years ago, literally a very unlikely source described the problems and predicted the outbreak of the Arab Spring. In an earlier job I was the Acting Coordinator of Counterterrorism at the Department of State and on occasion have dinner with Omar Suleiman, who was then the head of Egypt's intelligence service. He told me over the course of dinner the most dangerous

man in Egypt is the son of a bootblack with a graduate degree in chemical engineering who is now driving a taxi. Had the kid stayed a bootblack we wouldn't have had a problem. He then went on to say that neither his government nor in his opinion any other Arab government had the foggiest notion of how to deal with the literally millions of college graduates whose hopes had been dashed. Omar Suleiman correctly understood that the development of finance, business, human resources, and the entire spectrum in the Arab world has failed Arab youth.

Da'esh, the Islamic State, does have a plan. They've become the champions of the resentful and embittered Muslim youth, and have successfully hijacked the cause. How else could they have attracted such really formidable intellectual power into their ranks? They run circles around us, around their enemies in the social media. They recruit effectively all over the globe. I would hazard a guess that Da'esh has more college graduates in its ranks per capita than does the U.S. Army. Dr. Wright spoke of the importance of college graduates at the time of the Egyptian revolution that brought down Hosni Mubarak. A very important moment happened. The Egyptian army ordered its troops into Tahrir Square and then realized the soldiers themselves, because now the Egyptian army was recruiting from college graduates so they could run all the modern equipment, that the soldiers themselves were the brothers, cousins, and college classmates of the kids in Tahrir Square.

As we look at the development of business, finance, and human resources, we must consider that in recent times our own efforts have done little to help advance the cause of the larger population of the Arab world. Most of our business has served to enrich only a very small minority of Arab businessmen, usually closely associated or even part of the political establishment.

Rarely have American and western companies indicated more than a lip service commitment to improving the lot of the average Arab. We look to maximize returns and reduce costs, provide shareholder value – that's what we're all about, correctly – and thus in the poor Arab countries like Jordan and elsewhere we don't hire locally if we can find cheaper Phillipinos and Bangladeshis.

Da'esh has made that part of their message and has categorized American business and European business in general as part of the enemy. Mind you, this does not make Da'esh anti-business and anti-progress. Most Islamist politicians I have met are dyed in the wool capitalists. They preach free enterprise with an important CSR component, but combine it with an appeal that its benefits should accrue to their fellow Arabs and to fellow Muslims.

The Western world, as I said earlier, has deluded itself into believing that finance and economics alone determine human passions and the directions the governments will take. Without taking political, social, and other factors into account, business in the end, business, economics, and finance will make serious mistakes.

The EU recently demonstrated just how bad relying on economics alone can turn out. Their approach in the Ukraine demonstrated an unbelievable misunderstanding of Russia and of Putin's motives. The Wall Street Journal crowd after the imposition of sanctions that the Moscow Stock Exchange took a five percent hit. What they didn't note is that Putin didn't care.

There are other factors and other powers at hand, and the European Union has abandoned them completely. I doubt, I fear very much for the European Union that it cannot stand external shocks because it is built entirely on an economic structure, and if something develops where people start getting shot, the Union will be unable to respond.

I would also like to take a moment to address the profound misunderstanding of the role that Qatar has played in the Arab Spring. False or distorted information has now become truth to be cited by speakers even at this conference.

I'm going to review a little bit of recent Qatari history going back to the time that I first was appointed to serve as ambassador. 1995, Sheikh Hamad bin Khalifa came to power and realized that the world had changed, that the world had changed around him. One of the first events that I attended in Qatar was the opening of the Consultative Assembly, the Majlis al Shura, in which Sheikh Hamad delivered a speech that included the following line: this is the period of greatest Arab weakness, greatest weakness in the modern Arab world because Arab governments deny the Arab people the right to participate and contribute. Every Arab ambassador in the room was feverishly taking notes to write the letter of protest to the Emir the next day.

It isn't that the Qataris are natural democrats or more progressive than the rest, it's that they have in my view at the time one of the few places in the Arab world where there was an understanding that change was coming, demographics had changed. When I first went to the Gulf in 1964 - just to give you some differences - the mortality rate at age five was 90 percent. Literacy among male Gulf citizens was below 10 percent. Literacy among women Gulf citizens was statistically insignificant. There was no television, there was no Internet, there was virtually no international travel.

Today, all that has turned on its head. Their infant mortality is lower than it is in any major American city. Literally 100 percent of every Gulf citizen that I can think of below the age of 50 is literate. Two-thirds to three-quarters, depending on whose statistics you look at, of college graduates are women. You have television, you have the Internet, you have a population that is accustomed to jetting to London for the weekend, a little bit of shopping, and coming back. It is not the Gulf of 50 years ago. More specifically it is not a region that can be governed the way it was in the past.

The Qataris, Sheik Hamad understood this is coming and has tried to change his country. In the process I fear he has been seen as the catalyst for change in the rest of the region. Al Jazeera, the first truly uncensored Arab news media, has been blamed by many as the catalyst. The introduction of American universities that have complete academic freedom in the country, six of them. The introduction of American think-tanks. The 80-odd annual conferences, which were the only place where Arab intellectuals could meet, talk in the hallways, and go back to their home countries without fear that somebody was listening and passing it on to the secret police.

Change in the Qatari view was inevitable, it needed to be accelerated, and it needed to be channeled in a positive direction. Just as a footnote, at one point the Qatari Prime Minister Hamad bin Jassim told CNN, he said democracy is knocking at our door, and whether or not I like it I've got to open it because if I don't they're going to knock the door down.

So where does this leave us today? There is an assumption today that Qatar is – sorry, that was actually telling myself to shut up at this point, another couple of minutes – there is an assumption today that Qatar is a financier of ISIS, of various Islamist extremist organizations. A little bit for the record – Egypt. The day that Hosni Mubarak stepped down, was overthrown, Qatar began to provide significant aid to the SCAF, to the Egyptian military government. The SCAF replaced their government with a semi-independent civilian government, Qatar continued to provide economic aid to Egypt. The Muslim Brotherhood won elections. Qatar continued to provide economic aid to the Muslim Brotherhood government. The Muslim Brotherhood was overthrown by a coup. Qatar, like the United States, expressed displeasure but continued to provide aid until the Egyptian government, for reasons of its own, decided that they didn't like Qatari money anymore.

Syria is another case in point. In Syria, Qatar, Saudi Arabia, and Turkey had invested heavily in the Bashar al Assad government because they thought that Bashar al Assad was an attractive, modern, progressive, a change from his father, and a person in whom they could count on to react differently in his country and

move the country forward. They were deeply disappointed when the government, when his government, responded by simply machine-gunning peaceful demonstrations.

All three countries piled in to help the rebels. Whether they got their act together right at the beginning is an open question. The fact is the Qataris were here, Hamad bin Jassim was here in Washington, basically begging the United States Government to say how can I help the revolution. Please give me some guidance, where do I put it, and unfortunately we dithered. And I've really run over my time, so my apologies.

I would like to say that Qatar is a really great place to do business. Mr. Johnson has understated just how comfortable Qatar's business class is. Anyway, thank you very much.

[Nathan Regan] So I know it's getting late. I'll try to make my remarks brief. Thanks to the National Council for having us again this year. We appreciate the invitation. And thanks to all of you for joining us and staying with us today.

My name is Nathan Regan. I'm the country manager for the Bahrain Economic Development Board here in the United States. The Economic Development Board is a quasi-governmental agency that's chaired by his royal highness, the Crown Prince of Bahrain, and led by the Minister of Transportation Kamal bin Ahmed.

We have offices - and I'm going to tell you a little bit about who EDB is and what we are doing - we have offices that are located in Japan, China, India, Germany, and the U.K., each embedded with the Bahrain Embassy, such as we are here in the United States.

Our mission is simple. We increase foreign direct investment into the Kingdom creating jobs for Bahrainis and raising awareness of Bahrain in the global marketplace. Our services are complementary, and we seek to foster stronger business relations with U.S. companies who are considering the region as a place for investment.

As some of you might know, since we're in a room full of people who know something about the Middle East, Bahrain was the first GCC country to sign a free trade agreement with the United States in 2006, and has strong economic, political, and military ties to the U.S. The U.S. Navy's Fifth Fleet is located in Manama and calls Bahrain home. The American Bar Association has strong economic ties and political ties with the Bahraini Ministry of Justice and works closely to continually improve the rule of law and regulation. There's a U.S.-bilateral investment treaty signed by President Clinton to help stimulate

investment in the region, and creates a safe atmosphere for U.S. companies in the region.

So I really want to talk about success stories. U.S. companies, because I'm dealing with U.S. companies on a daily basis – most of my work is not done in D.C. I'm actually travelling around the United States meeting with the companies that actually have business in the region already, who are looking to do business in the region, or are looking for investment opportunities in the region. So I'm dealing on a regular basis with U.S. companies. So I want to highlight some of those today just to give you a flavor of what's happening in the region, because I really believe that the business community has a very short-term memory when it comes to politics.

Most of the people that I'm dealing with don't really care about the political – things that are happening between the U.S. government and the region. So I think some of these companies will ring a bell for you.

Kraft Foods is actually one of our biggest success stories in the region. They moved their entire operation from Australia to Bahrain to service the region, and it's to be close to the Saudi market and the rest of the GCC market, and actually they've recently announced they're going to be doubling their facility, the size of their facility in Bahrain, so it's just another indication of how strong the economy is in the GCC.

Kimberly Clark has 122 employees in Bahrain and using Bahrain as a launch pad into the region. WestPoint Home, which some of you might not know, but they manufacture textiles. They're a big textile manufacturer. They employ 1,600 people in Bahrain. So when you talk about employment, certainly in a country of 1.2 million people, it's certainly a sizable investment, and we appreciate them being there. UPS, GE, Microsoft – we have a lot of big-name companies that are located in Bahrain.

But I think the real gist of what we try to do is really target small to medium-sized enterprises. Those are the companies that are actually investing in these countries like Qatar, the Emirates, Bahrain, Saudi – I mean, they're all coming to the region to take advantage of this marketplace. It's a \$2 trillion market. So if you've got a company that's actually doing business in Europe, or Asia, or Latin America, the Middle East cannot be ignored for the market that it represents. And yesterday I was actually in Chicago with our ambassador on a new city tour, and we actually met with a company based in the Chicago Land region. It's called Bell Racing Helmets. And I didn't know this because they didn't go through out organization to get their commercial registration, but they're manufacturing racing helmets for Formula 1, and they're moving all of their

manufacturing facilities from China and Italy to Bahrain to be close to the Formula 1 circuit, and it's really interesting because they're going to be hiring 150 local people to be manufacturing these racing helmets.

So it's another example, a recent example, of U.S. companies that are actually investing in the region and using the Bahrain free trade agreement and the local hire, employment talent that we have in Bahrain to do this. And you mentioned something about labor funds - it's very interesting because Bahrain actually has a labor fund, state-sponsored labor fund, and we have a Bahrainization quota. So if you have a U.S. company that's setting up Bahrain says you have to actually employ a certain amount of Bahrainis to actually make sure that the investment is actually coming to what we want it to be. So I think it's another interesting example of how they're doing it.

This year alone we actually already have 12 U.S. companies who are seeking commercial registration to begin doing business in the GCC out of Bahrain. Last year, we were successful in attracting more than 35 companies from more than 20 markets across North America, Europe, and Asia, resulting in \$114 million of investment, which was roughly 12 percent higher than 2012's figures, resulting in 800 jobs that were created for local Bahrainis. And these are in sectors from financial services, logistics, manufacturing, health care, and ICT.

A couple of key figures I want people to know today before we leave other than the free trade agreement, that Bahrain actually has a zero percent tax. So I kind of have coined this phrase that we're kind of the Delaware of the Middle East because all these companies are coming and setting up in the region and taking advantage of a free trade agreement and a zero percent tax, which I think is very interesting. It's a zero percent corporate tax and personal income tax.

We also are offering something unique in the region, and it's 100 percent ownership. In some of our competing markets if you're setting up a business you may be required to take a local partner at a majority stake. In Bahrain, we don't have any free trade zones, and there are no requirements for partnerships. We certainly think that you should take a local partner, especially in the region, but it's not required for you to do so. So I think it's another unique factor that sets Bahrain apart.

Yeah, those are the reasons that I wanted to talk to you today about Bahrain and the economic development efforts that we're doing. I think it's really great that we have the Qataris and all of our neighbors next to us that are actually doing the same type of efforts, and certainly Qatar Airways and Emirates and Etihad are all really great drivers of economic development.

Certainly having a direct flight – we appreciate you opening all your direct flights into the region because it allows U.S. businesses to actually come directly to the region and do business there. It makes it very convenient.

Thank you for your time today. I appreciate your attention.

[Steve Lutes] Good afternoon everyone. I do want to also echo colleagues on the panel in thanking the National Council on U.S.-Arab Relations in putting this prestigious event together again in the role that the chamber can play in this. So we're very thankful for this. And thank you, to all of you.

We do have a game 7 tonight, and I liken you to the fans who stay for the 9th inning in a 10-0 route. So thank you for being here for our panel today. We really do appreciate that.

I'm Steve Lutes. I work at the U.S. Chamber of Commerce. We're the world's largest business advocacy organization, representing the interests of about three million American companies of every size and sector around the globe, and as John alluded to we have American Chambers of Commerce, which are our affiliates in well over 100 countries around the globe as well. Of course we're known for our domestic work, particularly here in Washington with Capitol Hill and the alphabet soup of regulatory agencies, but in fact the Chamber's international division is our largest, and that's of course reflective of the fact that 95 percent of the world's customers live beyond the borders of the United States.

I work on our Middle East affairs team, and everybody defines them differently at least for us that covers everything from the GCC to Egypt in the West, up through the Levant in Iraq, into Turkey in the north. And at the Chamber, as with any advocacy organization, we're focused on advocacy in the policy, regulatory, legislative area, and of course access and engagement with the private sector and the respective governments in the region.

My thoughts, my impressions here are really basically influenced by that daily activity of working with U.S. corporate America, SMEs, the governments in the Middle East, and our U.S. government, and of course those in the private sector in the region. Those are the folks that we work with on a regular basis.

Perhaps most importantly I think the big thing that we takeaway from our conversations and our interaction with those stakeholders is that the corporate perspective on the Middle East from the United States is quite strong. And of course there are many companies that have been in the region for decades and they're well established, but what we see is that the entrenched companies,

they're expanding their depth, they're making new investments, and really growing their footprint.

And we're seeing more and more American companies entering these markets for the first time, and many outside the multinationals, the traditional kind of SMEs. And they're finding I think a receptive, welcoming government, business partners, and certainly customers. And this is of course very important. We're in a global economy as we all well know, and we're competing with the Koreans, the Chinese, the Europeans, and many others. But at the end of the day I think as you talk to people in the region American goods and certainly American services remain the gold standard, so the door's wide open for those companies that are willing to get into the region.

Of course it's very difficult to generalize - across the entire region each company has its own unique opportunities and challenges when it comes to doing business, and many on this panel have talked about some of the specific countries and broadly about trends in the region.

Just for the sake of brevity I kind of lump into three categories, three kind of areas, and of course first you have the GCC states where primary differentiator is stability, and the governments are stable, there's continuity, and for businesses that's of course a lot of greater certainty and less exposure for their investments. And while certainly the business environments and the ability to do business vary across the GCC when it comes to things like the regulatory framework, protection of intellectual property, there's certainly a desire among the GCC countries to grow trade and investment in the relationship with the U.S. private sector.

And what we're seeing from GCC, the leader is that there's an eye to the future. As we all know of course the development of the oil and gas sector has been instrumental to the development and the economic progress of these states, and while the sector of course will remain critical for many decades to come, the leaders in the GCC are wisely looking to develop and diversify their economies, pursuing quote unquote vision plans, and looking to broaden their emphasis and their investments into building up kind of knowledge-based sectors - very important.

And since other panelists - I'm going to try to cite one country in each of three buckets, and I know we've well-covered Bahrain and Qatar, so using the U.A.E. as an example in this category, the Chamber recently hosted the Minister of Economy, and Minister Al Mansoori he spoke of their visionary economic plan that promotes investment and growth in these knowledge-based sectors. He specifically cited renewable energy and the development of Masdar City. For

those of you who aren't familiar with that, it describes itself as an emerging clean-tech community that offers a creative and an entrepreneurial atmosphere where businesses can thrive and innovation can flourish, all within the sustainable community that seeks the lowest environmental footprint possible, all done in a commercially viable manner.

In the U.A.E., and in fact across the GCC, we see many other opportunities and investments being made in health care, information technology, education, tourism, and in course building on what are modern, efficient, green infrastructure systems to support their populations and economies. Which of course brings us to two big events coming up. Of course in Qatar we know of the upcoming World Cup in Doha. In U.A.E., they'll host Expo 2020, the first time this world expo will appear in the region. Expected to attract 25 million visitors to the Expo. So incredible opportunities there associated with these sort of monumental events.

In closing out this category I would just point out that American companies of course served as a key partner in the development of the energy sector, and we believe of course American companies are and will continue to play as key partners as these respective states develop and build out these knowledge-based sectors, and prove critical to future generations and the economies for decades to come.

Moving to another category – I would categorize that as states in turmoil. Some are experiencing outright conflict. And what I'm very familiar with and what I cover at the Chamber and work a lot on, so I'll use that as an example, is Iraq, and the Chamber's been very active, and I know Ambassador Faily a good friend of the Chamber was here. We've been very active there in trying to grow this commercial relationship.

Of course we're all very familiar with the horrific emergence of ISIS and the threat it directly poses, as well as the ongoing sectarian tensions, and the Baghdad/Irbil struggle with territorial and resource issues. But despite it all there remain significant opportunities for those that are willing to pursue and engage in the work there.

As you can imagine Iraq essentially needs everything, and it needs traditional civil infrastructure – roads, bridges, ports, water and sewer systems, electricity production and a grid – and then equally important in the social infrastructure – housing, schools, and hospitals – and American companies can and are outside what we would think of as the traditional companies that fit with Iraq – it's not just energy and defense.

We see many other types of companies in a lot of other sectors that are in Iraq and they are doing business. And two that we've been working with at the Chamber are in Basra - the quote unquote commercial capital deep in Iraq's south, insulated from ISIS. For example - I'll cite two to give you a couple of examples - one is a small company based in Virginia, Intellects International. They've begun a construction system to basically streamline the ports in Iraq. And this port capacity management system will provide scheduling predictability, it will bring efficiency, it will save cost. And right now it's going to be implemented early next year in Umm Qasr the largest port, and then they'll expand that to serve secondary ports in Iraq. Another example, also a Virginia-based company, Nawah - they're managing the port of Basra, which is located on Shatt al Arab and again this is a containerized terminal that they're running. It's a hub for Iraq's oil and gas sector as well as the merchant class doing important work there in Basra.

So while there are certainly acute challenges posed by ISIS and other challenges that are well known to Iraq, it's important to know that many opportunities exist for American companies, and there's certainly a desire on the part of Iraqis in the current Iraqi government to have more American businesses doing these projects and work.

Turning to this last category - it's more or less kind of a catchall. As I've said it's really hard to generalize with each country having distinct challenges and opportunities, but in many ways this last category is countries that are in transition. For example, we know in Jordan they're having to deal with the massive influx of refugees, and that certainly impacts their economies, their budgets, and what they're able to do.

But I'll use the example of Egypt - we've talked a lot about Egypt, I'm familiar with Egypt, and we do a lot of work with Egypt. And of course they're certainly in a transition, on their fourth government since the fall of Hosni Mubarak. And what I can tell you at least from the U.S. corporate perspective interest in Egypt right now is incredibly strong.

The Chamber in two weeks - we're going to lead the largest business mission we've ever done in the whole history of the U.S. Chamber, not just to the Middle East, but anywhere in the world at any time to Egypt. So we're very excited about this, and it just really underscores the interest and level of optimism that the opportunities in Egypt have to offer. We see under President Sisi's leadership an administration that has acknowledged that they need to pursue things like fiscal labor, tax, regulatory, real estate reform, to improve and make a business climate that creates a more dynamic Egyptian economy, and is more welcoming to foreign investment, and uses that investment wisely.

And we certainly see progress on subsidy reforms – a long way to go – and they’re working to improve the investment loan. They have a new investment minister that comes from the private sector and gets it at the end of the day. We’ve mentioned that the flagship projects like the Suez Canal expansion project, and there’s other opportunities as well – that’s not just all that’s going on in Egypt. We see them looking to expand and do work in the Golden Triangle in the areas of mining and industrial development, Cairo Airport, and we see them making regulatory reforms and investments in other key sectors like agriculture with an eye to food security, health and IT, again all with an eye to move Egypt forward.

So in conclusion, I would just say that there really are incredible opportunities for American companies throughout the region. Businesses shouldn’t let the media headlines drive where your interests are, how you make your assessments of these opportunities. The ease of doing business and the specific opportunities and challenges certainly vary country by country, and we would just encourage all to get in the game if you’re not already because certainly our global competition they’re there, and we just can’t afford to sit on the sidelines, and perhaps most importantly these countries want American companies there. They want our products. They want us working on their projects. And they certainly want our services.

So thank you very much, and again, thank you to the Council.

[John Pratt] Thank you very much to all the panelists for an incredibly good discussion of the situation in seven to nine minutes. I’m pleased that everybody stuck to the time limit. We’re a little bit ahead of schedule.

We have three questions that came in from the audience. If there are any more please send them forward. One was basically – the first one went to Qatar Airways, talked about Qatar, the accolades of the airline, obviously five stars. But the question is operating complexities. What are the operating complexities of an airline and air travel in Arab countries? And then there was also a follow up I think with regard to Qatar’s interest in the sub-Saharan Africa. So if you could handle those.

[Titus Johnson] I’ll answer both if I may at the same time. Just in terms of growth, Mr. Theros mentioned the incredible growth of well being in the region over the last 50 years, and air transport and the airlines there have taken also a very progressive approach in developing services, a progressive view on expansion within the Arab region and beyond.

Simply, our model is like other airlines in the Gulf and around the world, is we look at markets. We look at whether they're economically viable, and whether that route is able to be served and whether the license is available. And that's the model we'll continue to use and other carriers in the region and around the world. I mentioned earlier that Qatar has over \$70 billion worth of aircraft on order. We need to fly them. We need to continue growing the region and growing opportunities to and from the region, and also opportunities for businesses who you belong to and are part of your networks and also opportunities.

We've just launched our 145th destination, Djibouti. The question came, is are we interested in developing further services, particularly to sub-Saharan Africa. The question is yes, and once again we'll use the same model. Is the market economically viable? Do we have the right capacity for it? And is a license available? And if all of those three get the green light we will seriously consider operating service.

[John Pratt] Thank you. The next question came from the audience – should the Arab world and its American business partner's embrace or reject the informal economy, primarily Hawala networks? So I'm not sure who wants to take that.

[Patrick Theros] I'll take a run at it. I think the barn doors closed on that one. The international community, the United States and Western Europe in particular, have already taken such steps as I think we're going to soon – particularly in the GCC – see the demise of the Hawala system. I was talking to the head of one of the largest private exchanges in Qatar. The Qataris have now instituted a regulation that every foreign worker working in Qatar must have a bank account and that all his salary is paid into the bank account. And even though the banks don't transfer money for him, he takes the money to a private exchange because they charge a lot less and they have a greater reach than the banks do. It is now – the quote Hawala system in Qatar is now for all practical purposes part of the formal and legitimate banking system.

[John Pratt] Thank you. Last question for Ms. Jubeir. Does it mean that you are trying to get Saudi students to get employment in the U.S. instead of having them returned to Saudi Arabia and building their country?

[Nahlah Al-Jubeir] Of course we want our students to come back, but we want them to gain some experience in the United States. You have a lot of – there's so many companies here that have so much experience that we still haven't come to that point. So we want them to gain that experience. Our goal is for every single Saudi student to return to Saudi Arabia, hopefully with experience.

When they come to the United States and they go to the college and universities they acquire - they're exposed to the academic life. As they enter the communities and so on, they acquire the social experience and the American social life. By going to American - working with American companies in the United States they take it one step further and they get some experience in the working life of Americans so that it completes the total experience in the United States so when they come back they have really, truly experienced American culture.

I haven't had a chance to mention it, but in 2005 King Abdullah initiated the King Abdullah Scholarship Program abroad, and it had two purposes. One was for our students to acquire a good education, but the other purpose of that program was for them to acquire cultural experience, and by going - getting that academic experience, the social experience, and the professional experience we feel that they truly have acquired global experience whether it's in the United States, where half of our students are, or elsewhere. We have them scattered all over the world.

But definitely we do want our students to come back. Is there risk that they will stay here? Yes, but when I started working with the students I was pleasantly surprised that the majority, practically all of them, do want to go back, they just want a chance to experience what it's like to work at an American company in the United States.

[John Pratt] Thank you. I - just as a personal item - for about seven years I coordinated the relationship between Saudi Aramco and ExxonMobil and Chevron. Of that there were three or four different components of it, but the biggest, most popular, and probably most productive piece of that relationship was sending interns to Chevron, interns to ExxonMobil, because for a year they got the experience of what it was like to operate in an environment in a refinery, corporate headquarters, or different operating departments. And they came back with an absolutely new appreciation, a new lease on life, and I'm being upstaged by the Qatar guy. But anyway.

So I think beneficially the college experience, the university experience, is only one component of it. Business practices are not necessarily transferable at the college level. They have to be experienced in the field, and they have to be experienced with a disciplined approach, business, U.S. business, refining operations - I mean there isn't anything more strict and stringent when you've got a safety standard within a refinery operation and the potential downside is significant if you don't follow certain procedures. So those are the types of things that really pay off. They all come back and they all say that the best years of their life were at Chevron and at ExxonMobil.

So anyway, that's what - just to conclude very quickly. One thing I've learned being out there for 35 years is the environment is dynamically changing. Every day is a new day. Every day there's a new opportunity. Just to drive home that point, I was out in Dhahran in September visiting with some friends, and they said you know that stadium that we built in Jeddah was a 70,000 seat stadium, it was probably a billion and a half dollar project, built in record time, two years. The King loved it. He went through and inaugurated it for the first Saudi cup game in May. And on the way out he said you know, why don't we build 11 more of these, and Aramco was charged now with - they got the message in August to build 11 new stadiums all around the country varying in size from 40,000 seats to 70,000 seats.

Now, Aramco produces oil. So they are now becoming probably the project management "go to" team that will initiate these mega-projects - they've got plenty of experience at it. I was out there in July. This wasn't even on the radar screen. September - all of a sudden it's 11 stadiums. Do the math - it's \$20 billion plus plus, who knows. Anyway - dynamic, changing, daily - it's always something new coming around the corner, and it's a great place to do business and live and work.

So I highly recommend you going out there and doing it. Anyway, I've said enough.

Thank you all panelists .

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