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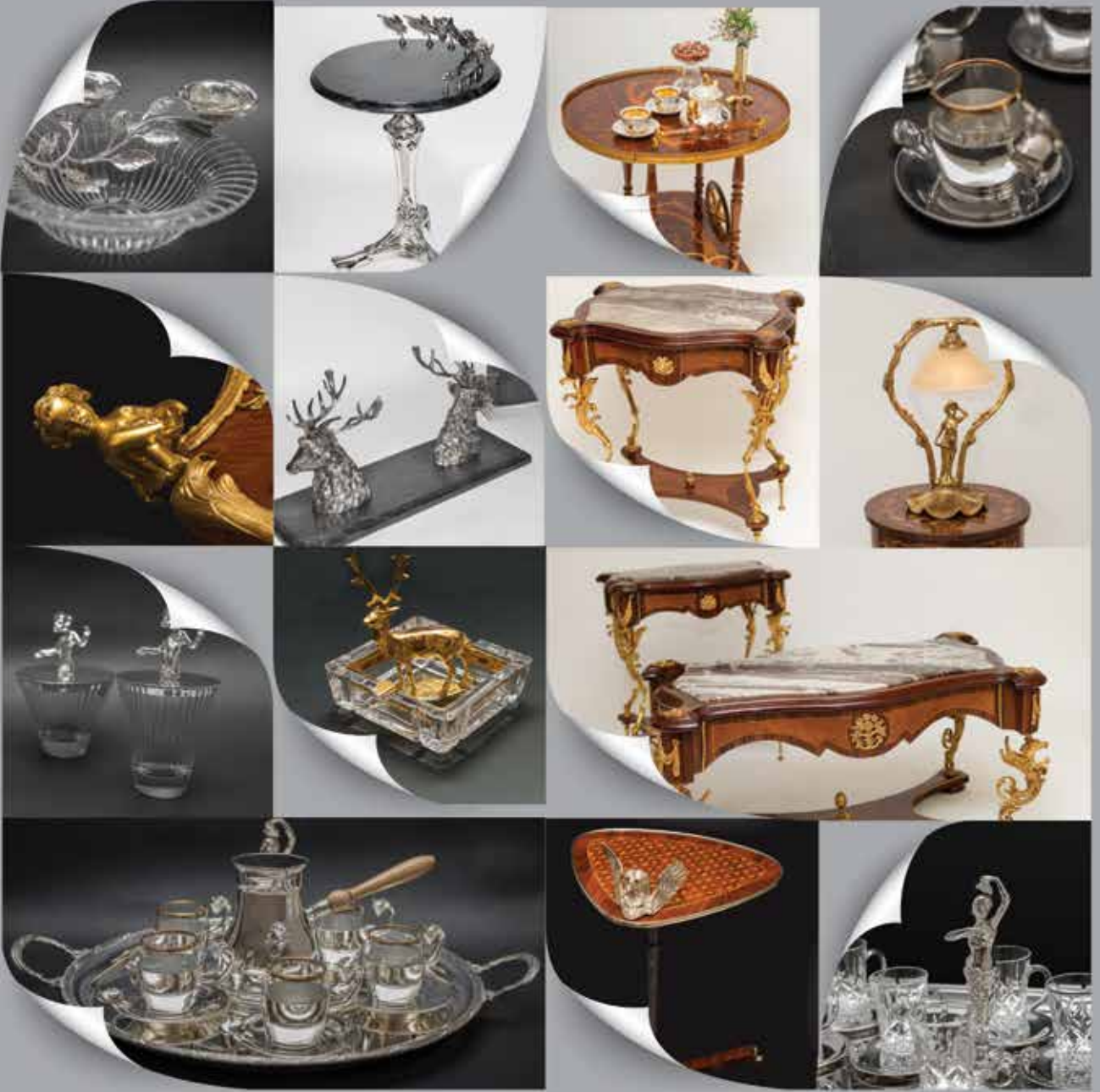
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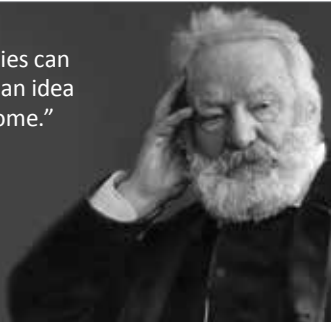
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"An invasion of armies can be resisted, but not an idea whose time has come."

Victor Hugo



EDITOR'S NOTE

George Orwell's novel "Nineteen Eighty-Four" about a dystopian future where critical thought is suppressed under a totalitarian regime astounded the literary world when it was first published in 1949. Today, almost seventy years later, its significance and cultural impact have only grown stronger. As recently as last year, the book rose again to the top of the Amazon best seller list.

Orwell's warnings against totalitarian authority and omnipresent surveillance are as relevant today as ever, and probably even more so. Beyond the familiar message that "big brother is watching you," what many readers of Orwell's novel may remember most is the fictional language he created, called "newspeak" an altered form of regular English designed and controlled by the state in order not only to suppress free thought, "unorthodox" political ideas, individualism, and happiness but also to subtly take control of peoples' actions, their moods, and even their minds.

The primary aim of "newspeak" is to reduce the meaning of language as well as the number of words used. By choosing which words the populace can use, the state can choose to shift thought in a more positive or negative direction to suit its needs. By reducing the number of words available, as well as reducing the intensity and emotion behind the words that people can use, the state is able to further suppress the population's thought and emotions. And by limiting the number of ways to describe the world, it is able to limit the population's very perception of the world.

Since the publication of "Nineteen Eighty-Four", some of Orwell's "newspeak" words and other terms from the novel have entered general use. For example, the term "big brother", synonymous with any sort of figure or organization that practices heavy surveillance, has become a common phrase in the English language. Another example is the word "doublethink" which describes the acceptance of acts that are known to be immoral while at the same time accepting the idea that those acts could not possibly be immoral. Other terms that have entered the popular vernacular are "thoughtcrime", a word used in the novel to describe the act of thinking socially unacceptable thoughts or holding opinions that are ideologically distinct from the authorities and "thought police", the term for the group in the novel that monitor the populace for any signs of unorthodox thought or action.

ALJAWHARA ALOTEISHAN
EDITOR-IN-CHIEF

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SAUDI ARABIA'S CROWN PRINCE MOHAMMED BIN SALMAN VISITS EGYPT, U.K AND U.S.



Saudi Arabia's crown prince Mohammed bin Salman's first public trip overseas since becoming heir apparent last year began at the beginning of March in Egypt. Egypt and Saudi Arabia have strengthened ties since Egyptian president Abdel Fattah al-Sisi took power in 2013 after ousting the Muslim Brotherhood, which both countries have banned and designated as a terrorist organization. Reuters reported that during the crown prince's three day visit to Cairo beginning March 4, the two countries agreed to set up a \$10 billion joint investment fund to develop the Egyptian side of NEOM, a planned mega-city which the crown prince unveiled at an investment conference in Riyadh last October. A Saudi official told Reuters that Riyadh's part of the new joint investment fund will be cash while Cairo will commit more than 1,000 square kilometers of land in the southern part of the Sinai peninsula. The investment deal underlines the strategic ties between the richest Arab state and the most populous. Over the years, Egypt has received billions of dollars in aid

from the kingdom. Cairo supports Riyadh in its fight against Iran-backed Houthi fighters in Yemen, and last year joined a Saudi-led boycott of Gulf state Qatar and, despite widespread criticism at home, agreed to hand over two Red Sea islands to Saudi Arabia. The day before the crown prince's visit, Egypt's top

court dismissed all outstanding legal challenges to the deal on the islands. Reuters also reported that, during his visit, the crown prince met Coptic Pope, Tawadros II, at Cairo's largest Coptic cathedral in what state media said was an unprecedented visit by an official from the conservative muslim kingdom. Promoting a more moderate form of Islam is one of the more ambitious promises made by the crown prince under his plans to transform the kingdom. Egypt has suffered from Islamist extremist violence in recent years, including attacks on churches often claimed by the ultra-violent Islamic State group. In December 2016, a bombing next to St Mark's cathedral killed at least 25 people. The crown prince's visit to Egypt came as President al-Sisi prepared to run in an election he is virtually guaranteed to win. Alongside posters urging people to vote for al-Sisi, large banners were put up in central Cairo welcoming the crown prince to his "second country" and others reading "Saudi and Egypt are one hand, one nation."

In London, where the crown prince



also met Queen Elizabeth II. on the second leg of the crown prince's three-country tour, the United Kingdom and Saudi Arabia reportedly agreed on a goal of \$90 billion (£65 billion) of mutual trade and investment in the coming years, with British prime minister Theresa May's office calling it a "vote of confidence in the U.K. economy" before Britain leaves the European Union. The investment target was set at a meeting between prime minister May and the crown prince. Bloomberg reported that memorandums of understanding for 14 trade deals were due to be signed during the U.K. visit. Britain is Saudi Arabia's second-largest supplier of defense equipment and London-based BAE Systems has been waiting for a follow-on order for the Eurofighter Typhoon fighter jet after the sale of 72 of the warplanes in 2006. A deal would boost U.K. industry as Britain tightens its own defense spending.

In the United States, President Donald Trump gave a warm welcome to the Saudi crown prince or "MbS" as he is sometimes known in Western circles. Speaking to members of the press in

the Oval Office, President Trump and the crown prince praised the strength of U.S.-Saudi ties, which had grown strained under the Obama administration in part over differing views toward Riyadh's regional rival, Iran. Not so with Trump, who has taken a hardline view against Iran similar to that of the Saudi crown prince. On the eve of the meeting, Saudi Foreign Minister, Adel al-Jubeir, told reporters "Our view of the (Iran) nuclear deal is that it's a flawed agreement." Al-Jubeir called out Iran for what Riyadh has long described as Tehran's destabilizing behavior in the region. "We've called for tougher policies towards Iran for years," he said. "We're looking at ways in which we can push back against Iran's nefarious activities in the region," lambasting Tehran's support for the Houthi militia in Yemen and support for Syrian President Bashar al-Assad in Syria. Iran for its part denies interference in the region's affairs. Trump's red-carpet treatment highlighted his administration's strong backing of the crown prince. The two countries reportedly discussed an agreement last year for \$200 billion worth of Saudi investments with the

United States, including large purchases of U.S. military equipment. Trump said the military sales contributed to the creation of 40,000 American jobs. Trump held up charts to show the extent of Saudi purchases of U.S. military hardware, ranging from ships to missile defense systems to planes and fighting vehicles. The crown prince said the Saudi pledge for \$200 billion in investments would end up at \$400 billion when fully implemented. He said a 10-year window for implementing the deal was under way. Meanwhile, U.S. senators debated a resolution seeking an end to U.S. support for Saudi Arabia's campaign in Yemen's civil war, in which an estimated 10,000 people have been killed. Some members of Congress have been critical of the Saudi involvement, particularly over the humanitarian situation and civilian casualties. The Senate rejected the resolution. A Saudi-led coalition, with logistical and intelligence support from Washington, is fighting to counter the influence of Iran, an ally of the Houthi militia, which denies any help from Tehran and says it is fighting a revolution against corrupt politicians and Gulf powers in thrall to the West. A senior Trump administration official said the two leaders talked about the humanitarian situation in Yemen and that civilian casualties "did not come up in a major way," given that Washington had been working with the Saudis to minimize them. Republican Senator Bob Corker, chairman of the chamber's Foreign Relations Committee, said senators questioned the crown prince closely about Yemen during a meeting with him. The crown prince will conclude his tour of the United States in the first week of April with visits to Saudi Aramco Research Center in Houston, Texas and to the oil refinery in Port Arthur. Saudi



Aramco has maintained its U.S. headquarters in Houston for 40 years employing more than 1,000 people. Just this year, the Saudis' U.S. refining arm, Houston-based Motiva Enterprises, bought out Royal Dutch Shell's stake ownership of North America's largest oil refinery in Port Arthur for \$2.2

billion. Saudi Arabia's government-owned industrial company known as Sabic is investing billions more as part of a partnership with Exxon Mobil to develop a \$10 billion petrochemical plant near Corpus Christi. Sabic's CEO, Yousef Al-Benyani, has called Houston its hub for global growth after moving

its Americas headquarters to Houston last year. Apart from Washington, D.C. and Texas, the crown prince is reported to also have trips planned to Boston, New York, Seattle, San Francisco and Los Angeles, meeting with companies ranging from Google and Apple to Lockheed Martin.

OIL WILL CONTINUE TO PLAY A KEY ROLE IN THE GLOBAL ENERGY MIX

Speaking at CeraWeek, a major energy conference held last month in Houston, Texas, Amin H Nasser, President and CEO of Saudi Aramco, told an audience of energy executives, experts and policymakers that despite the increasing growth of renewables, oil will continue to play a key role in the global energy mix for the foreseeable future. "The growth of the world's population requires the continuing development of several types of energy sources simultaneously," he said. Nasser noted that strong economic growth in emerging and developing markets, an additional two billion energy consumers by 2050, in addition to new non-combustible uses for oil, will continue to drive demand for hydrocarbons. He added that the resulting transition to sustainable energy will be lengthy and complex which alternative sources cannot adequately support. "It's particularly encouraging to see expectations of stronger economic growth in the emerging and developing markets because that's where most oil demand growth is expected to be," Nasser said.

He also addressed growing demand for non-combustion uses for oil and gas: "We see huge potential in producing advanced materials for use in a wide range of high-growth industries like automotive, construction, and housing, as well as in our own industry," he said. The Aramco CEO warned against some misconceptions around the future of oil, such as an impending



ing peak demand. He explained that these "erroneous and misleading notions" are sending negative signals which do not encourage investment in hydrocarbons needed to meet future demand. He said market fundamentals were healthy, despite fluctuations, expressing his confidence that global oil demand will continue to grow and that oil will maintain its pre-eminence in the global energy mix for the foreseeable future. To ensure that global oil and gas demand continue to be met in the years ahead, Nasser called on the energy industry to take bold action in four key areas: expanding exploration, offsetting declines in legacy fields, new and continued investment, as well as enhancing and creating new game-changing technologies. The Aramco

CEO said the company is actively pursuing and investing in innovative and promising new technologies and initiatives, not only in oil, but also in its multiple uses, such as in transportation, petrochemicals, advanced materials, as well as in carbon emissions reduction. This year marks the 37th anniversary of CeraWeek, an energy conference ranked among the top five "corporate leader" conferences in the world, providing insights and critically important dialogue on the future of the energy industry. This year's conference also coincided with the 80th anniversary of the discovery of oil in Saudi Arabia, an event which led to the transformation of, not only the economic landscape in Saudi Arabia, but also of the global energy industry.

SAUDIA ANNOUNCES FLIGHTS TO IZMIR AND MALAGA



With a population of more than four million people, Izmir is Turkey's third-largest city. Located on the Aegean Sea, it is a busy port city and holiday destination. The Izmir area, which curves along the west coast of Turkey, provides a gateway to other popular vacation spots such as Bodrum and Marmaris. Starting from June 10, 2018 until September 9, 2018, SAUDIA will operate four flights a week from Jeddah and three flights a week from Riyadh. The airline will operate the Izmir route with an Airbus A320 aircraft in a two-class configuration of 20 seats in business class and 96 seats in guest (economy) class. The flight time from Jeddah to Izmir is three hours and 25 minutes non-stop, and three hours 55 minutes from Riyadh. Izmir will be SAUDIA's third route to Turkey. The airline currently flies to Istanbul and Ankara. Prior to the start of the seasonal operation, flights will be available to and from Izmir and Jeddah from May 2, 2018 to June 8, 2018

Malaga, located in southern Spain, is a world-famous Mediterranean holiday destination on the Costa del Sol,

a 150 kilometer stretch of coastline where there are many other popular holiday resorts such as Marbella. SAUDIA's new service to Malaga starts June 9, 2018 until September 10, 2018. The twice-weekly flights are scheduled on Wednesdays and Saturdays from Riyadh and Mondays and Thursdays from Jeddah. The flight time from Riyadh is six hours and 40 minutes and from Jeddah six hours and 35 minutes. The route will be serviced by SAUDIA's latest aircraft, the Boeing 787 Dreamliner widebody aircraft, in a two-class configuration of 24 full-flat seats in business class and 274 seats in guest (economy) class. Malaga is SAUDIA's second destination in Spain. The airline currently flies to Madrid from both Jeddah and Riyadh.

These two new summer destinations are now available for bookings either on the airline's website: www.saudia.com, via the mobile app or through any authorized travel agent. In addition to contacting the airline by telephone, email or Twitter, guests can now send their inquiries and requests by whatsapp. Since the end of January, guests have been using the service to amend their booking,



make special requests, file complaints, submit suggestions and send other general inquiries. Average response times are 10 minutes or less. The official working hours for the whatsapp service line are from 08:00hrs to 23:59hrs (KSA time). The SAUDIA whatsapp service number is: +966 54000005.

SAUDIA Holidays offers full holiday packages to Izmir, Malaga, and many other popular destinations. Packages include flights, hotels, tours and other services and can be booked directly through the website: www.holidaysbysaudia.com or by calling: +966 9200 33136.

WOMEN DRIVERS TO TRANSFORM SAUDI ARABIA'S AUTOMOTIVE MARKET

A royal decree was signed in September 2017 allowing Saudi women to apply for driving licenses with immediate effect. A new report looks at how the decision is likely to impact the kingdom's automotive market.



According to the report by PwC Middle East titled "Women driving the transformation of the KSA automotive market" released on March 8 to coincide with International Women's Day, Saudi Arabia's female population is projected to reach 15 million by 2020. Of these the total number of female drivers is projected to reach 3 million. The number of male drivers is set to increase from 9 million in 2017 to 9.5 million in 2020.

The addition of 3 million new women drivers to Saudi Arabia's automotive market by 2020, the report says, will open a host of incremental opportunities for investors and industry participants. These include new job opportunities for Saudi nationals; investments

in new roads, increase in insurance revenue and establishing new women-only driving schools. "When considering the scale of the market, our analysis tells us that there's an opportunity to increase the number of driving institutions in the kingdom by over 50 per cent, an increase that will be translated into job opportunities for our females" said Hala Kudwah, lead consultant with PwC Saudi Arabia Financial Services "There would be dependencies such as necessary infrastructure and services to support female drivers; for example, women driving instructors, driving schools, licenses issuance etc." she added.

Specifically, the report says, car sales and car leasing are expected to grow substantially with an expected annual



PwC's Hala Kudwah

growth rate of 9 per cent and 4 per cent until 2025 respectively. The insurance market will also benefit as it creates opportunities for new insurance providers, products and services. The motor insurance industry is expected to grow by 9 per cent annually from 2017 to 2020 to reach SAR 30 billion (\$8 billion)

VISION 2030: TO BE OR NOT TO BE

BY TURKI ALHAMED

Less than two years ago, no one could have imagined or predicted the changes that are now happening in Saudi Arabia – changes that are proving to be nothing short of revolutionary. Unlike the so-called “Arab Spring”, a groundswell of popular uprisings that toppled several regimes and turned countries upside down with little to show for them at the end other than chaos and misery, what has happened in Saudi Arabia has been initiated from the top.

To the western mind, Saudi Arabia has always been viewed as ultra-conservative, regressive and a breeding ground for the most extreme form of religious fundamentalism - “wahabi” islam. Following the attacks in New York in September 2001, when people talked about state-sponsored terrorism, the fingers were automatically pointed at Saudi Arabia. However, what most westerners are not aware of is that, prior to 1979, Saudi Arabia was what could reasonably be considered as a “normal” country. Like most others, it sought progress and prosperity. Sadly, this all changed following the revolution in Iran, the attack on the grand mosque in Mecca and the invasion of Afghanistan by Russia - three events which together ignited a movement towards a new wave of religious extremism. This movement was called “al-sahwah” or the religious “awakening” and spread rapidly throughout both the Arab and the broader muslim world. Saudi Arabia, like many other countries, began to lose its way. For almost forty years, the ‘wahabis’ have used brainwashing and coercion

to force others to accept their violent “religious” ideology and radical political beliefs.

Against this backdrop, the economic, social and cultural changes being ushered in by King Salman and his heir apparent, crown prince Mohammed bin Salman, have the potential to radically change people’s perceptions of the kingdom both within the country and around the world. While King Salman’s predecessor, the late King Abdullah, did try to introduce reforms, they were not enough to roll back the myriad of problems that had accumulated over so many years. However, in less than two years, the 32-year old crown prince, known to many in western political circles as MbS, has instituted a full package of radical reforms that no previous ruler has ever contemplated out of fear of reprisals from the religious establishment that could destabilize both their rule and the kingdom in general. Maintaining the status quo was the policy of choice and necessity. Not so for MbS.

The crown prince’s vision to modernize Saudi Arabia, its economy and culture, was unveiled in 2016 in Saudi Vision 2030. In some ways, the method being used to bring in the changes can be compared to what has taken place in China. While the legitimacy of the Chinese state continues to be grounded in communism and the communist party which are, by definition, authoritarian, what is actually happening economically in China is based on capitalism and the free market. Likewise, given the fine line the crown prince is walking a tightrope between his efforts to

modernize the country and the forces of tradition, one would not expect to see democracy and popular representation introduced in Saudi Arabia any time soon. Saudi Arabia is not ready for democracy since, to work successfully, democracy requires a solid base of liberal values such as tolerance, individualism and free expression. For centuries, Saudi Arabia has been governed by tribalism, sectarianism, extreme interpretations of religious texts and political authoritarianism – all which have together shaped the mindset of its people. Introducing liberal democracy to people who have never been taught liberal values will not work. A façade of “democratic elections” such as those one sees in many other Arab countries will do more harm than good.

Having said that, the need to bring about change in Saudi Arabia is urgent. To borrow a phrase from William Shakespeare, it is a case of “to be or not to be” but, in this case, there is no “question”. In an increasingly global, inter-connected and rapidly changing world, isolation and atrophy is not an option. While “wahabi” ideology will eventually disappear as a political force, the dilemma facing the crown prince right now is how to modernize Saudi Arabia while allowing for the deeply-held traditional values of many Saudi people. Vision 2030, therefore, is modernization with a traditional face. It will not be opposed by the religious establishment whose power ultimately depends on the country’s rulers. Much of Vision 2030, exemplified by the recent anti-corruption drive that led to the detention of hundreds of princes, government officials and businessmen, will have to be in the form of electric shock therapy in order to revive Saudi Arabia’s heart that has almost stopped beating. If the crown prince succeeds, the people of Saudi Arabia, particularly the younger generation, can look forward to a brighter future.

A YOUNG SAUDI PERSPECTIVE

By

H.R.H. PRINCE TURKI BIN ABDULAZIZ BIN NASSER BIN ABDULAZIZ ALSAUD



We are blessed in Saudi Arabia to be witnessing a new golden era under the leadership and guidance of the custodian of the two holy mosques, King Salman, and his trusted son, crown prince Mohammed bin Salman. We are now a nation that is promoting and encouraging its young people to achieve greatness and, as a young Saudi myself, I have never been as sure that the future is in safe hands, Allah willing.

It is an established fact that the age of petroleum is coming to an end. For far too long, we have ignored this issue. We could have continued with “business as usual” for quite a while longer only to suffer the most severe consequences later. It will be a challenge to

diversify our economy, rid ourselves of our dependency on oil and gas and move towards a knowledge-based society. But this task has to be undertaken. It saddens me to say that my country, which has such enormous potential, has lagged behind in so many areas for so many years. However, crown prince Mohammed bin Salman says: No longer! I am with him and so is my generation.

There is much work to be done. Among the most important tasks is to encourage and support more women to join the workforce. It is estimated that, currently, only 20 percent of women are employed. This is such a waste of talent and potential that could be otherwise used to advance

the country. Current developments such as women driving again on Saudi roads - as they did in the 50’s, 60’s and 70’s- will contribute to this goal.

Young Saudis makes up 70 percent of the country’s population. Over the last ten years, they have studied at some of the world’s best universities. They have gained practical skills and experience working in many leading international companies operating both inside and outside the kingdom. I know of their eagerness to implement their skills and knowledge at home. Now they will have this opportunity.

We live in exciting times. What we always knew was possible is becoming a reality. Our country can now be rightfully called a global hub for creativity and innovation. I believe in my generation, the 70 percent. They are our most valuable resource. In the past, rarely a week went by without international coverage of the kingdom. What’s different now is that even the most critical news outlets are starting to report the huge advances that are taking place. Crown prince Mohammed bin Salman has taken the world by surprise with initiatives such as the much-anticipated Aramco IPO and mega-projects such as Neom. Such projects, unparalleled in their size, will ensure that we won’t be left behind in a post-oil era. We have been fortunate to have had decisive leadership at the right time. If we look at what we have achieved so far, despite the shortcomings of the past, the future holds great promise and it is the talented and capable young people of Saudi Arabia who will leave their mark in the history books

Anyone who has visited Saudi Arabia recently will have noticed the changes that are taking place in almost every aspect of life. For this young Saudi and his generation, it’s like a breath of fresh air!

ECONOMIC SNAPSHOT: MENA

BY RICARD TORNÉ

HEAD OF ECONOMIC RESEARCH, FOCUSECONOMICS.

REAL SECTOR | OIL MARKET VOLATILITY CASTS DOUBTS ON MENA'S ECONOMIC RECOVERY

Geopolitical instability and spillovers from the oil production cuts by OPEC members led growth in the Middle East and North Africa (MENA) region to decelerate in the October–December 2017 period compared to the July–September 2017 period. According to preliminary data for the period, year-on-year economic growth in the region fell from

1.8% to 1.4%. With data still outstanding for many countries in the region, oil-exporting economies were likely behind Q4's slowdown as harsh austerity measures implemented in 2016 and 2017 to cope with the dramatic fall in oil revenues continued to rattle activity. Recent data for Q1 2018 points to a widespread recovery in the region.

The non-hydrocarbon sector continues to benefit from strong global growth, which is spurring activity in the region and fostering job creation. Moreover, higher oil prices allowed some governments including Qatar, the UAE and Saudi Arabia to unveil more expansionary budgets for this year.

OUTLOOK | 2018 ECONOMIC OUTLOOK DEFIES GROWING ECONOMIC AND POLITICAL CHALLENGES

The MENA economy is expected to recover this year on the back of higher oil prices, which will allow oil exporting countries to implement more expansionary fiscal policies, contrasting the austerity adopted in the wake of the 2014–2016 collapse in oil prices. More supportive public budgets will mostly translate into higher capital expenditure. Despite the increase in oil prices, external accounts among the region's oil-importing nations will not be massively affected, as surging production in the

United States will limit the rally in crude oil prices. Furthermore, strong global growth will bode well for the region's external sectors. The MENA region is seen expanding 2.9% in 2018, which is up 0.1 percentage points from last month's estimate. Our panel projects regional growth of 3.3% in 2019. This month's upward revision to the 2018 economic outlook reflects stronger growth prospects for Algeria, Bahrain, Egypt, Iraq and Lebanon. Panelists downgraded their view of the economies of Jordan, Kuwait, Tu-

nisia and Yemen, while forecasts for Morocco, Oman, Qatar, Saudi Arabia and the United Arab Emirates were left unchanged. Egypt's economy is expected to be the best performer in 2018. At the other end of the spectrum, Yemen, which is entangled in an unending civil war, is expected to be the region's worst performer. Among the major economies, Saudi Arabia will log the weakest expansion as the country faces the lion's share of OPEC oil cuts.

SAUDI ARABIA | CROWN PRINCE CONSOLIDATES POWER FOLLOWING MILITARY LEADERSHIP SHAKE-UP

Volatility in financial markets, a strong U.S. dollar and surging oil production in the United States sent oil prices down in early February, threatening to derail the kingdom's economic recovery. Although oil prices are expected to remain relatively high this year compared to in 2017, Saudi authorities signaled that they will likely tap international bond markets for the third consecutive year in 2018 to ease fiscal pressures. Meanwhile, Crown Prince Moham-

med bin Salman continues to cement his political power following November's massive crackdown on corruption that affected prominent businessmen, princes and top officials. On 26 February, the Saudi government announced that several top commanders had been removed, including the military chief of staff and the leaders of air and land forces. The economy will benefit this year from higher oil prices and strong global growth. Increased oil revenues will

allow the government to adopt a more expansive fiscal stance. That said, persistent geopolitical threats, capped oil supply and risks that oil prices do not rally significantly are expected to limit the economic recovery. FocusEconomics Consensus Forecast panelists expect growth of 1.6% in 2018, which is unchanged from last month's projection. In 2019, growth is seen picking up pace to 2.3%.

UAE | ACTIVITY IN THE NON-HYDROCARBON SECTOR REMAINS ROBUST AT THE OUTSET OF THE YEAR

The strong tailwinds that were in place in 2017 are keeping the non-oil economy sailing smoothly in the early months of 2018, despite a slowdown following the introduction of a 5% VAT in January. The non-oil PMI receded to a five-month low in February on lower output growth but remains in expansion territory, buttressed by strong domestic demand. Moreover, despite the constraints imposed by the OPEC agreement to cut oil production, the hydrocarbon sector is benefiting from higher oil prices

compared to last year. Looking ahead, stronger oil revenues are poised to support government spending this year. Notably, a large increase in infrastructure spending is expected, especially in Dubai, which hosts the 2020 World Expo and is already benefitting from a booming construction. Strong public sector support should drive a sharp increase in growth in the non-oil economy this year, while household consumption remains constrained following the implementation of VAT. Public spending should fur-

thermore be reinforced by higher oil prices amid healthy global growth. Finally, tourism growth will likely remain robust, particularly in Dubai as the city prepares for the 2020 World Expo. However, downside risks related to regional instability remain, notably the ongoing feud with Qatar, as well as risks of volatility in oil prices. FocusEconomics panelists expect GDP to increase 2.8% in 2018, which is unchanged from last month's forecast, and 3.3% in 2019.

EGYPT | EL-SISI SET TO EASILY WIN A SECOND TERM AS ECONOMIC RECOVERY GAINS TRACTION

Economic signals are positive. Growth accelerated in the October– December 2017 period thanks to a robust external sector and solid public domestic demand, while the squeeze on living standards is beginning to ease, as inflation has plunged in recent months. Other signs are also encouraging; although the PMI hovered below the 50-point threshold in February, new orders grew, while international reserves soared in the same month and the unemployment rate

dipped to a seven-year low in Q4 2017. In mid-February, a \$15 billion agreement with Israel was reached, which will see the country export around 64 billion cubic meters of natural gas to Egypt over ten years. This will help satisfy buoyant domestic demand and support Egypt's longer-term aim of adding value to gas imports by becoming an LNG export hub. Growth should accelerate in FY 2018. Investment will likely rise sharply, boosted by higher business sentiment and an

improved regulatory environment— thanks in part to recent amendments to the capital markets law. In addition, the external sector will benefit from the weaker pound. However, the elevated debt burden and sizeable budget deficit could become pressing concerns if reform momentum ebbs. FocusEconomics analysts expect GDP to expand 4.7% in FY 2018, up 0.2 percentage points from last month's forecast, and 4.9% in FY 2019.

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GCC CHEMICALS AND THE CIRCULAR ECONOMY

Attendees at the 9th Gulf Petrochemicals and Chemicals Association (GPCA) PlastiCon held on 14-15 March at the Oberoi Hotel in Business Bay, Dubai, were in broad agreement that the GCC chemical industry needs to do more to embrace the circular economy which, if properly leveraged, can generate significant economic and environmental benefits.

Speakers at the GPCA conference said stakeholders will need to work together to increase the circularity of plastics by making sure that plastic waste is adequately recovered and that it does not end up in landfills or in the environment. The industry will also need to develop its innovation capabilities and work closely with regulators to formulate the right framework for plastic waste management, build an adequate infrastructure and adopt world-class standards,

“More and more, polymer producers are strongly advocating commitment towards plastics circular economy which anticipates that plastics do not end up in our oceans or landfills, but rather contribute to an effective after-use economy” said Ahmed Omar Abdulla, CEO, Borouge, and Chairman, GPCA Plastics Committee who was a keynote speaker. “Governments in the GCC and around the world should start to enforce the policy of plastics circular economy to be a driving force in the efforts to enhance plastics sustainability.”

Dr. Abdulwahab Al-Sadoun, the Secretary General of the GPCA, said the



chemical industry in the Arabian Gulf is lagging behind other parts of the world, particularly Europe, which is taking steps in the right direction to transition from a linear to a circular economic model. “The industry needs to do more to improve the circularity of its products. This will entail changing its business model from just selling products to selling high performing products over their lifecycle” he said. “In the GCC, as the largest producers of plastics resins in the world, there is considerable potential to develop the recycling industry to go the extra mile towards generating further economic value while contributing to business and job creation and mitigating environmental impact. Supporting economic diversification, as many as 10 new jobs can be added in the region for each ton of plastic waste generated.”

In the two days immediately prior to PlastiCon, GPCA held its 5th Research

and Innovation Summit under the theme ‘Capitalizing on innovation: A growth imperative’ highlighting the role of innovation in advancing the chemical industry in the GCC,“.

The GPCA was established in 2006 to represent the downstream hydrocarbon industry in the Arabian Gulf. Today, the association voices the common interests of more than 250 member companies from the chemical and allied industries, accounting for over 95 percent of chemical output in the GCC. The industry makes up the second largest manufacturing sector in the region, producing over \$108 billion worth of products every year. GPCA manages six working committees – plastics, supply chain, fertilizers, international trade, research and innovation, and responsible care. It organizes six world-class events each year

For more information, visit www.gpca.org.ae.



CAN WE TRUST THE NEWS MEDIA?

A December 2017 report by the Reuters Institute for the Study of Journalism examines the reasons for the falling trust in journalism and suggests ways in which journalists, platforms, and regulators should improve trust in both the news media and social media.

There is a great deal of evidence for the falling trust in journalism over the last decade. In the United States, a 2016 Gallup survey showed media trust dropping from 53% in 1997 to 32% in 2016. Another survey by the Edelman Trust Barometer documented falling trust across the world and also identified a growing gap on attitudes to the media between the rich and the general population.

A new report “Bias, Bullshit and Lies: Audience Perspectives on Low Trust in the Media” by Nic Newman and Richard Fletcher of the Reuters Institute for the Study of Journalism explores the underlying reasons for low trust in the news media and social media across nine countries – the United States, the United Kingdom, Ireland, Spain, Germany, Denmark, Australia, France, and Greece. The report is based on thousands of open-ended responses from a 2017 Reuters Institute Digital News Report where respondents were asked to indicate their level of agreement with two statements: “The news media does a good job in helping separate fact from fiction” and “Social media does a good job in helping separate fact from fiction”. With regard to the first statement about news media, 40% of the respondents agreed with the statement, 35% neither agreed or disagreed, and 25% disagreed. With regard to the second statement about social media, 24% agreed, 35% neither agreed nor disagreed, and 41% disagreed. Interestingly, the survey revealed that people on low incomes and those below the age of 35 have less confidence in the news media (35% and 34%) than those over 35 (42%) or those on higher incomes (49%). This supports research from the Edelman Trust Barometer which shows that richer, older, and more educated people are generally much more invested in the news media than the rest of the population, and that this gap has been growing in countries across the world.

For those that do trust the news media (40% across the nine markets surveyed), 39% appear to have an “inherent” trust in the news media and in journalists on the basis that the stories that they read or watch mostly turn out to be right. A second important reason relates to journalistic processes (22%), such as sourcing and fact-checking. In some countries, the depth and quality of journalism (14%) and the way stories are told also emerged as a key builder of trust. The role of brands is important for many (12%), and there are often specific brands people feel they can rely on for accurate and reliable news. Other explanations include the trust that comes through being able to compare multiple sources (12%), and the role of both regulators and audiences in keeping the news media honest (accountability, 4%). Finally, respondents talked about “seeing is believing” (4%), which refers to the authenticity of live television pictures in particular, which many felt could not be manipulated or spun like words on the printed page.

The report found that among those who do not trust the news media (25% across the nine markets surveyed) the main reasons (67%) relate to bias, spin, and agendas. A significant proportion of the public feels that powerful people are using the media to push their own political or economic interests, rather than

represent ordinary readers or viewers. These feelings are most strongly held by those who are young and by those that earn the least. In many countries, particularly the U.S. and the U.K, some media outlets are seen as taking sides, encouraging an increasingly polarized set of opinions. Others are criticized for not calling out lies, keeping information back, or creating a false equivalence of partisan opinions that are obscuring facts and understanding.

Social media is trusted less than the news media in its ability to separate fact from fiction. There is a general perception among the public (41% across the nine markets surveyed) that feeds are becoming polluted with inaccurate information, extreme agendas, and strong opinions, perhaps encouraged by social media algorithms. But, people also blame other social media users for fueling these stories by sharing without reading them. Despite this, the report also finds a substantial minority (24% across the nine markets surveyed) who trust social media for its broad range of views and authenticity. Some of these are people who distrust the mainstream media or complain about its biases and agendas. Others use a wide range of sources and feel confident in their ability to spot inaccurate or agenda-filled news.



The authors of the report point out that while the term 'fake news' has helped audiences express longstanding frustrations with the media environment in general, most people do not operate with a categorical distinction between "fake news" and "real news" but see the difference as one of degree. Poor journalism, for example, can be inaccurate, superficial or sensationalist but is still considered to be news unlike false news which is fabricated, often for profit, politically motivated or outright malicious

Based on these findings and others, the report suggests a number of steps that could be taken to rebuild trust in the news, whether it comes directly from news organizations or is distributed via social platforms. First, the news media needs to differentiate itself more from information that has not gone through the same professional checking processes. This means increasing the quality of news and minimizing "clickbait" that can end up deceiving and annoying consumers. Better communication of the processes that professional journalists go through to check and verify stories will also help, though not necessarily with everyone. Second, media need to do a better job in separating facts from opinion. Partisanship does not have to be a problem in itself, but it is widely disliked when it is dressed up as a news article or consistent-



ly spun in a way that distorts the truth. Specific media outlets as well as journalists need to be far more open about their biases and clearer about distinguishing news from comment. Third, a more representative media in terms of age, politics, economic outlook, and gender is likely to help answer the criticism that media is only looking after the interests of the establishment. This is partly about introducing greater diversity in newsrooms, but also about plurality of provision across the political spectrum. In turn, this relates to the growing challenge of funding quality journalism commercially and the potential need for regulators to intervene in the event of market failure.

From a social media perspective, says the

report, these findings pose a very real dilemma. People like the range of voices and the authenticity that comes with a platform designed to encourage free expression. However, a significant minority worry about an increase in "noise", disruptive agendas, and lack of checks. While any attempt to clamp down on misinformation is likely to restrict the breadth and vibrancy of debate, social platforms may have to find a better balance than exists today if they are not to damage their own businesses. Working with publishers, fact-checkers, and other content creators to better label different kinds of content will be important. Platforms should also consider taking into account more signals about the quality and origin of content from publishers, improving the branding of trusted brands, and taking steps to reduce the speed with which extreme or disputed content can be spread through the network. None of these measures are likely to be enough on their own, nor will they convince everyone who currently lacks trust in the media. Restoring trust will take time and commitment, the report concludes. It will also need publishers, platforms, regulators, and audiences to work together if significant progress is to be made.

To view the full report, visit www.reutersinstitute.politics.ox.ac.uk



COUNTERING DISINFORMATION

In January 2018, the European Commission appointed a high-level group of experts to advise on policy initiatives to counter false information across traditional and social media and on possible ways to cope with its social and political consequences. The experts group comprised 39 members from different backgrounds: academia, journalism, broadcasting, online platforms as well as civil society and fact-checking organizations.



The report of the experts group titled “A multi-dimensional approach to disinformation”, published last month, starts from an understanding that disinformation, as a phenomenon, goes beyond “fake news”, a term, the report says, that has been appropriated and often used misleadingly to dismiss coverage that is simply found disagreeable. Disinforma-

tion, as defined in the report, includes “all forms of false, inaccurate, or misleading information designed, presented and promoted to intentionally cause public harm or for profit”. It does not cover issues arising from the creation and dissemination online of illegal content such as defamation, hate speech and incitement to violence, which are subject to regulatory remedies under

EU or national laws. Nor does it cover other forms of deliberate but not misleading distortions of facts such as satire and parody.

The expert group acknowledges that, while not necessarily illegal, disinformation can nonetheless be harmful for citizens and society at large. The risk of harm includes threats to democratic

political processes, including the integrity of elections, and to democratic values that shape public policies. In light of these considerations, the expert group points out that disinformation problems can be handled most effectively, and in manner that is fully compliant with freedom of expression, free press and pluralism, only if all major stakeholders collaborate. In addition, continuous research, increased transparency and access to relevant data, combined with regular evaluation of responses, must be permanently ensured. This is particularly important as disinformation is a multifaceted and evolving problem that does not have one single root cause. It does not have, therefore, one single solution.

The report, to its credit, stresses that any form of censorship either public or private should be avoided. Fragmentation of the internet, or any harmful consequences for its technical functioning should also be avoided. The recommendations aim, instead, to provide short-term responses to the most pressing problems, longer-term responses to increase societal resilience to disinformation, and a framework for ensuring that the effectiveness of these responses is continuously evaluated, while new evidence-based responses are developed.

“any form of censorship either public or private should be avoided”

The report’s multi-dimensional approach to the problem of disinformation is based on a number of interconnected and mutually reinforcing responses. These responses rest on five pillars: enhancing transparency of online news; promoting media and information literacy; developing tools to empower users and journalists; safeguarding the diversity and sustainability of the news media ecosystem; and promoting continued research on the impact of disinformation.



For the short to medium term, the experts group suggests, as a first step, a self-regulatory approach based on a clearly defined multi-stakeholder engagement process, framed within a binding roadmap for implementation, and focused on a set of specific actions. It recommends that all relevant stakeholders, including online platforms, news media organizations, journalists, fact-checkers, independent content creators and the advertising industry, should be called upon to commit to a code of practices. This code should reflect stakeholders’ respective roles and responsibilities. The intent should be to promote an enabling environment for freedom of expression by fostering the transparency and intelligibility of different types of digital information channels.

The reports says self-regulation must be backed by a structured cross-border and cross-sector cooperation involving all relevant stakeholders, in order to foster transparency, algorithm accountability and public trust in media.

Given the fragmentation of the sector, public authorities should play a facilitating role, both at the EU and national level, to support the development of a network of independent centers for academic research on disinformation. This network should be open to fact- and source-checkers, accredited journalists, researchers from different relevant fields and platforms, with a view to continually monitoring the scale, techniques and tools, and the precise nature and potential impact of disinformation in society; assessing the veracity of factual claims underpinning news and information across areas of general interest, identifying and mapping disinformation sources and mechanisms that contribute to their digital amplification; accessing and analyzing data for a better understanding of the functioning of algorithms; contributing to the development of fair, objective and reliable indicators for source transparency; and sharing knowledge with news media and platforms to enhance public awareness about disinformation.

MACHINE LEARNING SYSTEMS AND THE YOUTUBE PURGE

Over the last several weeks, a number of well-known conservative news sites, commentators, gun advocates and others have received community strikes or were locked out of their YouTube channels. Those affected by the lockouts, strikes and suspensions are referring to it as the “YouTube Purge” which is increasingly being driven by machine learning systems.

The First Amendment of the United States Constitution declares, “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.” With that being said, many people are asking what is happening to this right for the freedom of speech?

A blog post from YouTube published on August 1, 2017 outlined the company’s



new moderation guidelines to combat “terrorist content” The first of the guidelines addresses the need for better detection and faster removal driven by machine learning. The company noted that it had recently begun developing and implementing cutting-edge machine learning technology designed to help identify and remove violent extremism and terrorism-related content in a scalable way. It said its machine learning systems were faster and more effective than ever before and that over 75 percent of the videos removed for violent extremism in September 2017 had been taken down before receiving a single human flag.

Secondly, the company said that through its Trusted Flagger program, it had begun working with more than fifteen additional “expert” non-governmental organizations and institutions such as the Anti-Defamation League, the No Hate Speech Movement, and the Institute for Strategic Dialogue to alert the company to content that needed review. Thirdly, the company said it would soon be applying tougher treatment to videos that weren’t illegal but had been flagged by users as potential violations of the company’s policies on hate speech and violent extremism. If it was found that even if videos didn’t violate its policies, but nevertheless contained controversial

religious or supremacist content, they would have some features removed. The videos would remain on YouTube behind an interstitial, wouldn’t be recommended, wouldn’t be monetized, and wouldn’t have key features including comments, and suggested videos. Finally, the company said it had begun to roll out “redirect” methods so that when people searched for sensitive keywords on YouTube, they would be redirected towards a playlist of curated YouTube videos that directly confronted and debunked violent extremist messages.

In the United States, questions concerning YouTube’s moderators and the power they hold have been raised over the last several weeks after notable conservative commentators, gun advocates and others received community strikes or were locked out of their channels. Content creators affected by lockouts, strikes and suspensions and supporters of the right to free speech are referring to it as the “YouTube Purge” claiming that YouTube is in violation of its own policies and guidelines. One of the most high-profile channels to have been impacted has been Prager University (PragerU), a not-for-profit organization that advocates for “limited government, individual responsibility and economic freedom” In 2016, PragerU’s videos

received over 250 million views and increased to 350 million in 2017. As of November 2017, 320 of the videos were posted at YouTube. In October 2017 PragerU filed a lawsuit in the United States District Court for the Northern District of California to stop Google and YouTube from unlawfully censoring its videos and discriminating against its right to freedom of speech. The lawsuit cites more than 50 PragerU videos which have either been “restricted” or “demonetized” by Google/YouTube. The videos address a wide range of various subjects presenting a conservative point of view They are presented by some of the finest minds in the Western world, including four Pulitzer Prize winners, former prime ministers, and professors from the most prestigious universities in America. Among the videos restricted was one by noted Harvard Law professor, Alan Dershowitz. In correspondence cited in the filing, Google/YouTube said the censorship of certain videos was because they were deemed “inappropriate” for younger audiences. According to Ars Technica, the restricted mode filter “limits views based on certain characteristics, including the age of the viewer”.

Eric George of Browne George Ross, the firm representing PragerU says Google and YouTube use restricted mode filtering not to protect younger or sensitive viewers from ‘inappropriate’ video content, but as a political gag mechanism to silence PragerU. “Google and YouTube do this not because they have identified video content that violates their guidelines or is otherwise inappropriate for younger viewers,” he says “but because PragerU is a conservative nonprofit organization that is associated with and espouses the views of leading conservative speakers and scholars” Former California Governor, Pete Wilson, of Browne George Ross says it is speech discrimination plain and simple, censorship based entirely





acknowledged that new moderators, hired as part of the company's plan to employ 10,000 people to help oversee content and respond to flags, may have been overzealous. A statement by the company to Bloomberg in February said: "As we work to hire rapidly and ramp up our policy enforcement teams throughout 2018, newer members may misapply some of our policies resulting in mistaken removals". All of this is exacerbating a growing schism between a user base that, in part, thinks of YouTube as a public space where almost anyone can upload videos and the company itself, eager to reign in what its moderators deem to be "hate speech". While many people agree that hate speech and those who promote hateful ideologies under the guise of political discourse should probably not be allowed on the platform, others believe that otherwise benign content being forced off the platform is a violation of the right to free speech. In the end, it may only be a matter of time before people start leaving YouTube and finding homes on platforms and websites that house content with less rigid oversight such as Steemit's DTube, a video platform that has little moderation, and Minds, a website designed for people who tend to face scrutiny on more popular social and video platforms.

on unspecified ideological objection to the message or on the perceived identity and political viewpoint of the speaker "Google and YouTube's use of restricted mode filtering to silence PragerU violates its fundamental First Amendment rights under both the California and United States Constitutions" says Wilson. "It constitutes unlawful discrimination under California law, is a misleading and unfair business practice, and breaches the warranty of good faith and fair dealing implied in Google and YouTube's own Terms of Use and 'Community Guidelines'"

the founder of PragerU. "They are engaging in an arbitrary and capricious use of their "restricted mode" and "demonetization" to restrict non-left political thought. Their censorship is profoundly damaging because Google and YouTube own and control the largest forum for public participation in video-based speech in not only California, but the United States, and the world"

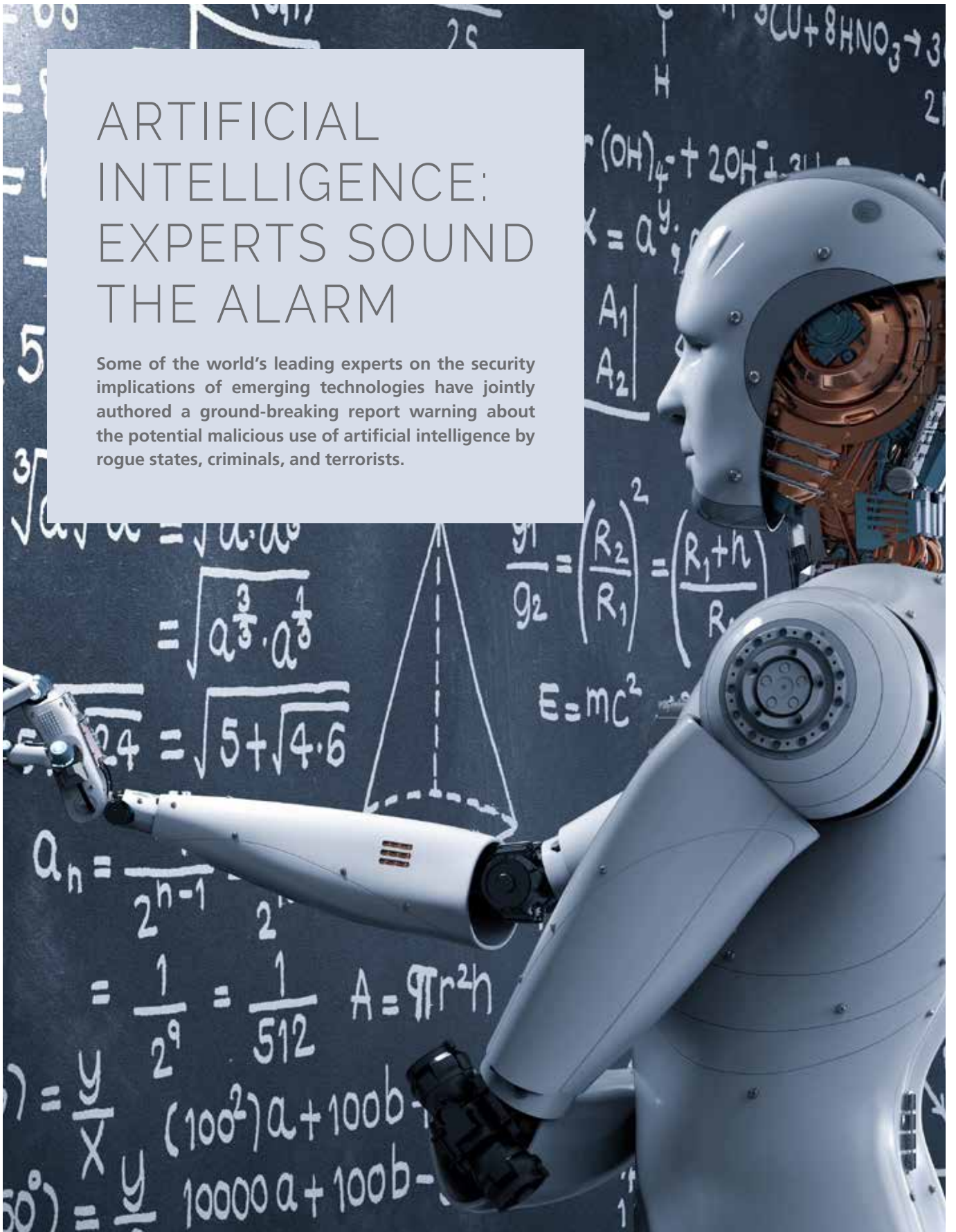
YouTube's official policy says that "harmful or dangerous" and "hateful" content can violate its guidelines. If video creators break the rules three times within three months, YouTube terminates the account. YouTube recently

The total number of people who currently use YouTube exceeds 1.3 billion people. Google and YouTube advertise YouTube to the public as a forum intended to defend and protect free speech where members of the general public may express and exchange their ideas. They have represented that their platforms and services are intended to effectuate the exercise of free speech among the public. According to Google and YouTube: "voices matter." YouTube states that it is "committed to fostering a community where everyone's voice can be heard." "Watch any one of our videos and you'll immediately realize that Google/YouTube censorship is entirely ideologically driven" says Dennis Prager,



ARTIFICIAL INTELLIGENCE: EXPERTS SOUND THE ALARM

Some of the world's leading experts on the security implications of emerging technologies have jointly authored a ground-breaking report warning about the potential malicious use of artificial intelligence by rogue states, criminals, and terrorists.



As we have covered extensively in previous issues of LEADERS KSA, the use of artificial intelligence (AI) and machine learning (ML) technologies is growing at an unprecedented rate. These technologies have many beneficial applications, ranging from automatic speech recognition and machine translation to medical image analysis. Additional promising technologies currently being researched or undergoing small-scale pilots include driverless cars, digital assistants for nurses and doctors, and AI-enabled drones for use in disaster relief operations. Even further in the future, advanced AI holds out the promise of reducing the need for unwanted labor, greatly expediting scientific research, and improving the quality of governance. Countless more applications can be expected over the long term.

While the design and use of dangerous AI systems by malicious actors has previously been discussed in high-profile settings such as the US Congress, the White House and a Department of Homeland Security report and particular risk scenarios such as the subversion of military lethal autonomous weapon systems have been analyzed, a new report titled “The Malicious Use of Artificial Intelligence: Forecasting, Prevention, and Mitigation” released in February 2018 is the first to offer a comprehensive analysis of the intersection of AI and malicious intent.

The twenty-six co-authors of the report come from a wide range of organizations and disciplines, including Oxford University’s Future of Humanity Institute; Cambridge University’s Centre for the Study of Existential Risk; OpenAI, a leading non-profit research company; the Electronic Frontier Foundation, an international non-profit digital rights group; the



Miles Brundage, research fellow at Oxford University’s Future of Humanity Institute

Center for a New American Security, a US-based bipartisan national security think-tank; and other organizations “For many decades, hype outstripped fact in terms of AI and machine learning. No longer.” says Miles Brundage, Research Fellow at Oxford University’s Future of Humanity Institute. “This report looks at the practices that just don’t work anymore and suggests broad approaches that might help: for example, how to design software and hardware to make it less hackable and what type of laws and international regulations might work in tandem with this.”

AI is what is termed a “dual-use” area of technology. In other words, AI systems and the knowledge of how to design them can be put toward both civilian and military uses, and more broadly, toward beneficial and harmful ends. Since some tasks that require intelligence are benign and other are not, artificial intelligence is dual-use in the same sense that human intelligence is. The 100-page report only considers AI technologies that are currently available at least as initial research and development demonstrations or are plausible in the next five years. It focuses on three security do-

main - digital, physical, and political security- as particularly relevant to the malicious use of AI.

Digital security The authors expect cyberattacks to become more effective, more finely targeted, more difficult to attribute, and more likely to exploit vulnerabilities in AI systems. The use of AI to automate the tasks involved in carrying out cyberattacks will alleviate the existing tradeoff between the scale and efficacy of the attacks. This may, for example, increase the threat associated with labor-intensive cyberattacks such as “spear phishing”. A spear phishing attack involves collecting and using information specifically relevant to a target (e.g. name, gender, institutional affiliation, topics of interest, etc.), which allows the facade to be customized to make it look more relevant or trustworthy. These attacks use personalized messages to extract sensitive information or money from individuals, with the attacker often posing as one of the target’s friends, colleagues, or professional contacts. The most advanced spear phishing attacks require a significant amount of skilled labor, as the attacker must identify suitably high-value targets, research these targets’ social and professional networks,



tise required to execute certain kinds of attack. Physical attacks such as these are removed from the actor initiating the attack as a result of autonomous operation, including in environments where remote communication with the system is not possible.

Political security The use of AI to automate tasks involved in surveillance (e.g. analyzing mass-collected data, persuasion (e.g. creating targeted propaganda), and deception (e.g. manipulating videos) may expand threats associated with privacy invasion and social manipulation. Novel attacks that take advantage of an improved capacity to



and then generate messages that are plausible within this context.

Physical security AI can be used to automate tasks involved in carrying out physical attacks with drones and other autonomous weapons systems, subverting cyber-physical systems

causing autonomous vehicles to crash or carrying out remote attacks with a swarm of thousands of micro-drones. Endowing low-skill individuals with previously high-skill attack capabilities. AI-enabled automation of high-skill capabilities such as self-aiming, long-range sniper rifles reduces the exper-

analyze human behaviors, moods, and beliefs on the basis of available data are most significant in the context of authoritarian states but may also undermine the ability of democracies to sustain truthful public debates.

In response to the changing threat land-

scape the report makes four high-level recommendations. First, policymakers should collaborate closely with technical researchers to investigate, prevent, and mitigate potential malicious uses of AI. Second, researchers and engineers in AI should continue to work together on the positive applications of AI but take the dual-use nature of their work seriously, allowing misuser related considerations to influence research priorities and norms, and proactively reach out to relevant actors when harmful applications are foreseeable. Third, best practices should be identified in research areas with more mature methods for addressing dual-use concerns, such as computer security, and imported where applicable to the case of AI. Fourth, active steps should be taken to expand the range of stakeholders and domain experts involved in discussions of these challenges

In addition to the high-level recommendations, the report also proposes the exploration of several open questions and potential interventions. They include rethinking cyber-security, exploring different models of openness in information sharing, promoting a culture of responsibility, and seeking both institutional and technological solutions to tip the balance in favor of those defending against attacks. The report highlights the need to explore and potentially implement red teaming, formal verification, responsible disclosure of AI vulnerabilities, security tools, and secure hardware. High-level areas for further research include privacy protection, coordinated use of AI for public-good security, monitoring of AI-relevant resources, and other legislative and regulatory responses. The proposed interventions, says the report, require attention and action not just from AI researchers and companies but also from legislators, civil servants, regulators, security



researchers and educators.

Miles Brundage believes AI will alter the landscape of risk for citizens, organizations and states - whether it's criminals training machines to hack or 'phish' at human levels of performance or privacy-eliminating surveillance, profiling and repression. "It is often the case that AI systems don't merely reach human levels of performance but significantly surpass it" says Brundage "It is troubling, but necessary, to consider the implications of superhuman hacking, surveillance, persuasion, and physical target identification, as well as AI capabilities that are sub-human but nevertheless much

more scalable than human labor."

While the report surveys the landscape of potential security threats from malicious uses of artificial intelligence technologies and proposes ways to better forecast, prevent, and mitigate these threats, it analyzes but does not conclusively resolve, the question of what the long-term equilibrium between attackers and defenders will be. It focuses, instead, on what sorts of attacks we are likely to see soon if adequate defenses are not developed. Ultimately, it is a clarion call for governments and corporations worldwide to address the clear and present danger inherent in the myriad applications of AI.

A BEAUTIFUL MIND

The English scientist, Stephen Hawking, theoretical physicist, cosmologist, author, and Director of Research at the Centre for Theoretical Cosmology at the University of Cambridge, died peacefully at his home in the early hours of 14 March 2018 at the age of 76 "He was a great scientist and an extraordinary man whose work and legacy will live on for many years," his children Lucy, Robert and Tim said. "His courage and persistence with his brilliance and humor inspired people across the world." Tim Berners-Lee, inventor of the world wide web, said: "We have lost a colossal mind and a wonderful spirit."

Stephen William Hawking was born on January 8, 1942. He grew up in and around London and began his university education in 1959 at the age of 17 at University College, Oxford where he studied physics. After graduating, he was in his first year of research work at Cambridge university when he was diagnosed with motor neuron disease, a neurodegenerative disorder that selectively affects motor neurons, the cells that control voluntary muscles of the body. He was just 21 years old. In his 2013 memoir "My Brief History" he related how he was first diagnosed: "I felt it was very unfair - why should this happen to me," he wrote. "At the time, I thought my life was over and that I would never realize the potential I felt I had. But now, 50 years later, I can be quietly satisfied with my life. Ravaged by the wasting disease, Hawk-

ing was confined to a wheelchair for most of his life. As his condition worsened, he had to speak through a voice synthesizer.

Hawking was an Honorary Fellow of the Royal Society of Arts (FRSA), a lifetime member of the Pontifical Academy of Sciences, and a recipient of the Presidential Medal of Freedom, the highest civilian award in the United States. In 2002, Hawking was ranked number 25 in the BBC's poll of the 100 Greatest Britons. He was the Lucasian Professor of Mathematics at the University of Cambridge between 1979 and 2009 and achieved commercial success with works of popular science in which he discusses his own theories and cosmology in general.

Hawking's rise to international fame began with the publication in 1988 of "A Brief History of Time", one of the most complex books ever to achieve mass audience appeal, which stayed on the Sunday Times best-sellers list for 237 weeks. "My original aim was to write a book that would sell on airport bookstalls," he told reporters at the time. "In order to make sure it was understandable I tried the book out on my nurses. I think they understood most of it." Hawking worked extensively on the two cornerstones of modern physics - Einstein's general theory of relativity, which concerns gravity and large-scale phenomena, and quantum theory, which covers subatomic particles. As a result of that research, Hawking proposed a model of the universe based on two concepts of time: "real time", or time as human beings experience it, and quantum theory's "imaginary time", on which the world may really run. "Imaginary time may sound like science fiction ... but it is a genuine scientific concept," he wrote in a lecture paper. Another major area of his research was into black holes, the regions of space-time

where gravity is so strong that nothing, not even light, can escape.

Hawking became so popular that he appeared as himself on the television show "Star Trek: Next Generation" and his cartoon caricature appeared on "The Simpsons". He narrated a segment of the opening ceremony of the London Paralympic Games in August 2012, the year he turned 70. A 2014 film, "The Theory of Everything", with Eddie Redmayne playing Hawking, charted the onset of his illness and his early life as a brilliant student. "We have lost a truly beautiful mind, an astonishing scientist and the funniest man I have ever had the pleasure to meet," Redmayne said. In Cambridge, Hawking's university college Gonville and Caius flew its flag at half-mast. "At Caius he will always be 'Stephen' - the

man whose wicked sense of humor enlivened high table dinners and saw him spinning uproariously around hall in his wheelchair to the strains of a waltz at a college party," Caius said in a tribute.

He married undergraduate Jane Wilde in July 1965 and the couple had Robert, Lucy and Timothy. But Hawking tells in his memoir how Wilde became more and more depressed as her husband's condition worsened. "She was worried I was going to die soon and wanted someone who would give her and the children support and marry her when I was gone," he wrote. He divorced Wilde in 1990 and in 1995 married one of his nurses Elaine Mason, whose ex-husband David had designed the electronic voice synthesizer that allowed him to communicate. They divorced in 2007.





THE 2018 INTERNATIONAL HOTEL INVESTMENT FORUM: SOME TAKE-AWAYS

More than 2,300 delegates including over 80 hotel company CEOs attended this year's International Hotel Investment Forum held from 5-7 March at the InterContinental Hotel in Berlin. This year's conference was themed around "Reaching New Heights". Here are some of the take-aways.

Customer acquisition

In the competition for customers, battle lines continue to be drawn between hotels and online travel agencies (OTAs). “We are all taking the battle seriously over the retention of the customer,” said Carol Dodds, VP of commercial for Interstate Hotels & Resorts. The company, which manages more than 400 hotels globally, receives a broad range of OTA contribution, but it varies per market, Dodds said. “The core brand is winning the mid-week battle,” she continued. “Where the brand struggles is over leisure demand times. When customers are looking for an experience and there is more selection, then they go with third parties.” Although hotel member rates, usually 10-percent off the best available rate, are driving more direct business, the challenge is retaining repeat business, she added.

In the search for hotels, booking options abound whether it is direct with the hotel, through an intermediary, or through a wholesaler. “Customers have learned that it’s about how to find a really good rate,” said Daniel Holl, head of global hotel sales at metasearch site, Trivago. “Our biggest challenge is to personalize the search and enable customers to find a suitable hotel based off their preferences.” In the area of digital travel bookings, Google is the elephant in the room. However, according to Ruairidh Roberts, industry head for travel at Google, the company has no intention of becoming an OTA. “We don’t fulfill transactions and have no ambition to fulfill holidays,” he said. Instead, Roberts underscored platforms like Google Trips as a way Google inserts itself into the travel conversation, by offering consumers inspiration.

While OTAs are expensive to use, they deliver customers. For smaller hotels which can’t afford to spend much money on marketing and distribution,



OTAs can act as a “stopgap”. However, the idea of handing over a hotel’s complete inventory to an OTA is foolhardy, argued Trivago’s Holl. “If I was hotelier, I wouldn’t give it all to OTAs. You have to diversify and figure out which distribution strategy works best. Find the best technique and cost to fill up beds.”

OTAs, on the other hand, are not about to release control of their customers to hotels as evidenced by loyalty programs such as Expedia Rewards. However, in the end, Expedia, Booking.com, Airbnb and other OTAs don’t own any hotels. “They don’t have the product to play with,” Google’s Roberts said, but then followed that statement up by cryptically saying that could change in the future.

Relationships with consumers

A CEO panel representing more than 85 brands spread across just five companies revealed that hotel brands want to interact with customers more than just a few times a year. They want a relationship with consumers on a basis more akin to Facebook or Amazon, which is to say, with frequency. “Brands are like a group of friends for every occasion that you can always

count on,” said AccorHotels CEO Sebastien Bazin. But like any friend, in order to continue to be friends, you need to hang out with them, speak to them on a consistent basis, something the hotel industry struggles to do no matter how robust their loyalty programs. “The problem with our industry is that we see our customers three or four times a year,” Bazin continued. “Facebook sees the customer 12 times a day; Amazon four times a week. If we want to grow, we need to interact better.” AccorHotels has launched initiatives to engage customers and non-customers alike through platforms such as AccorLocal, which offers a range of services through a dedicated app. The company acquired John Paul, a digital concierge, almost two years ago.

Hilton CEO Chris Nassetta is equally in tune with customer rapport. “Having deeper relationships with the customer is the future. The ultimate path to success is having a real connection. We’re trying to do it without losing the focus on the core business,” he said. “In the old world order, you had an opportunity to engage with the customer, who came to you through

all sorts of means. Today, you need to have a different level of engagement pre-book, let alone when they book and you'd better engage with them when they leave over what was right and what was wrong. It's about never forgetting the business we're in—people serving people—but we can use technology to enhance the connection and make it a better experience."

For IHG CEO Keith Barr, partnering with other brands is a way for the company and its own brands to stay and be a bigger part of guests' lives. He cited three partnerships, in particular: Amazon, Shell Oil and Open Table. "It's about taking the core brand proposition and using technology to have more presence in customers' lives," Barr said.

According to Wyndham Hotel Group CEO, Geoff Nassetta, nothing replaces personal interaction "When I get to a property, I don't care if it's our people or a third-party operator's; it's one family. The hardest thing I do is build a unified culture, which encompasses our franchise community. We have worked hard to unify everyone with a common set of goals. But if a franchisee fails us, the whole system fails."

Repositioning Mediterranean hotels

Panelists at the forum advised investors in the Mediterranean region to renovate existing hotels rather than develop new sites. The return of destinations such as Turkey, which have suffered from a drop in visitors as a result of terror attacks in recent years, is driving enthusiasm for the region, and hotel brands are looking to make their mark. "There are more than enough opportunities for refurbishment," said Gregg Gilbert, principal at Benson Elliot Capital Management. "If you are focusing on development you are missing a trick. It's very difficult to get financing for new development. If you have a lease, you might be able to get financing, and this is in mature markets.

Anyone from Ireland or Great Britain will always have to get away to look for the sun, so demand will always be there, said Neville Graham, managing director international member services at Best Western Hotels & Resorts. "I don't think that Tunisia opening up will affect demand. If you factor in new markets like China, that's new demand that was never there before, so there will still be the chance to grow," Graham said. "What drives it is the consumer. They are always looking

for new experiences and new places to explore. What is key is access, particularly air traffic. It's not always a case of 'if you build it, they will come,' but if the right infrastructure is in place, then they will come."

Arena Hospitality Group has renovated and upgraded its hotels and entered into a new market and clientele, according to Arnoud Duin, VP of finance. "Our vision is that when Turkey is fully back on the market, it might have an impact, but we see we are in a new league now and we see opportunity for growth," he said. "Croatia still has a reputation from the past, but all the properties in the last few years have been upgraded. They used to be state-owned, but a lot of capital has come in. It's going to be more luxurious. It's still the beginning in Croatia."

Turkey's hospitality market is recovering after the attacks of 2015 and 2017, said Mehmet Onkal, founding and managing partner, BDO Hospitality Consulting. "Most of the product we have is updated and needs repositioning. Rather than creating new destinations, we need to reposition them because the new destinations will dilute the existing ones," he said. "Branded residences are really increasing and they're important, luxury brands. This is happening all over Turkey, not only in the resort areas. Our Mediterranean coast is saturated, but we don't have any brands. We're looking at developing tertiary cities in Turkey. Primary and secondary cities are well developed. We're looking for budget hotels, not focused-service". Onkal said that Turkey does not have internationally branded resorts. "The brands don't want to operate resorts, and the resorts don't want brands. So we are trying something new—maybe a lease, maybe a guaranteed lease, maybe a percentage-profit lease so that we can get the brands into the country, into



the seaside,” he said. Onkal said that he expected occupancies to be up 30 percent for 2017, although he described average daily rate as “dragging” and expected it to increase only 10 percent.

Follow the money

A panel discussion called “Follow the Money” revealed that investors searching for yield are becoming more inclined to consider hotel assets “Alternative investments, including hotels, are becoming mainstream,” said Chris Day, managing director at Christie + Co. “Retail investments are peripheral to institutional investors. The desirability of hotels is moving up the food chain and retail is falling down.” said Day.

Robust travel is leading to strong RevPAR numbers, something Robin Rossmann, managing director at STR, explained to the audience. European hotels are at all-time highs and rising, with Rossmann calling it a “sea of positivity in Europe,” where cities like Lisbon, Madrid, Amsterdam, Edinburgh and Istanbul all showed double-digit, year-over-year RevPAR growth in 2017. “The opportunity for Europe is it has the ability to yield up rate,” Rossmann said. Strong RevPAR is complemented by in line supply and demand ratios. Though the global construction pipeline of rooms is forecasted by Lodging Econometrics to be more than 2.2 million by the end of 2018, actual supply coming into the market is only growing at around 1 percent per year. “Demand has exceeded supply growth in Europe,” Rossmann said. Meanwhile, occupancies continue to be high, even higher than the previous peak in 2008. “Europe 2017 occupancies are now around 10-percent above previous peak,” Rossmann said. “Hotels have never been fuller, allowing hotel markets to yield up more.” That’s the global story. In the U.S., however, expectations are that supply growth will meet demand in 2018. In regions like the Middle East, supply growth is having a

withering impact on RevPAR, which was down 5.6 percent in 2017. More than 100,000 rooms are coming into the Middle East and Dubai’s pipeline alone stands at 60,000 rooms.

Hotel technology

On the final day of the forum, attendees learned how innovation in technology is being driven by what consumers want, including greater personalization, fewer friction points and a unique experience. OTAs highlighted the investments they have been making into changing the consumer experience. “People are getting more savvy,” Peter Verhoeven, global director of partner services at Booking.com, said. “They don’t want a repeat experience; they want a unique experience. Everything you do has to be customer-centric. If the customer doesn’t find what he or she wants, they will leave and never come back.” Arthur Chapin, chief product officer at Brand Expedia Group, echoed the sentiment. “We’ve tried to change the conversation around technology and make it about meeting customer needs. It’s about looking at what the big customer problems are to solve.” With voice-based technologies such as Amazon’s Alexa, Apple’s Siri and Google Assistant expected to be the next “route to market” for hotels, Chapin said that travel and hospitality companies were learning about the power of the human

voice. “Voice will change peoples’ expectations about how they interact with that company,” he said. “For us, every investment is about solving a specific problem. Time and time again, customers are telling us that they don’t want to interact with another human. Technology can improve the personalization of these interactions. The investment that companies are making in machine-learning is critical. For us, a lot of it’s about getting all the data in one place, and then it becomes about building the software capability that can predict answers. We need to remember that it’s not just answering the question, but how that question is asked.”

Representing the hotel operators, Rufino Pérez, COO and global transformation leader at NH Hotel Group, said that any investment his company considers requires a compelling business case. “What is the return for that investment?” he asked. “We want to enhance the customer experience with check-in online, choose-your-room and check-out express. We want to make those functions more efficient. We also want to save money at the back-of-house by, for instance, integrating suppliers. We are also looking to improve revenues, and we are now able to provide individual price points for all our third parties. These are critical things—practical things.”



HOTEL INVESTMENTS IN THE MIDDLE EAST ARE SET TO REACH A RECORD HIGH

In light of new data from MEED Projects which forecasts that more than \$14 billion worth of hotel construction contracts will be awarded in the Middle East and North Africa in 2018, this year's Arabian Hotel Investment Conference (AHIC) being held this month at the Waldorf Astoria at Ras Al Khaimah, UAE is forecasting significant opportunities for hotel investors targeting the region.



According to MEED Projects, the online projects tracking service, the value of new hotel investments in the Middle East and North Africa (MENA) could hit a record high in 2018. "After a relatively subdued 2017 up to the end of November which saw \$5.45 billion worth of new hotel construction contracts awarded, the value of hotel contracts due to be awarded in 2018 is more than \$14 billion" says Ed James, Director of Content and Analysis at MEED Projects. James says this total will comfortably exceed the \$8.5 billion awarded in 2016 and the previous record of \$11.9 billion awarded in 2015. Investments in hotels in 2018 will account for about 7 per cent of the total \$200 billion scheduled projects spending in the MENA region, making it one of the most important construction sub-sectors. On a country basis, the UAE will be by far the largest market, with an expected \$8.4 billion worth of contracts, followed by Saudi Arabia at \$1.9 billion and Qatar at US\$1.7 billion.

The 14th edition of the Arabian Hotel Investment Conference (AHIC) is being held on the 17-19 April 2018 at a purpose-built village in the grounds of the Waldorf Astoria at Ras Al Khaimah, UAE and is expected to attract around 800 hotel investors, major developers, leading financiers, and C-level hotel executives. Jonathan Worsley, chairman of the event organizer, Bench Events, and co-founder of AHIC says the new figures are exciting for the Middle East hospitality investment community which gathers annually at AHIC. "With oil prices now trading significantly higher than the January 2016 lows, we expect to see signs of recovery and stability in most regional economies" he says. "There is still enormous potential for hotel development in this region, particularly as the industry seeks to diversify and we foresee significant growth in the mid-market and serviced apartments segments, particularly in the UAE

and Saudi Arabia. With 'Focus on the Future' as our theme for AHIC 2018, the program will include conference and networking sessions that tackle how to capitalize on these opportunities and maximize returns for the years ahead."

AHIC is being held in partnership with Ras Al Khaimah Tourism Development Authority (RAKTDA). Established in May 2011, RAKTDA aims to attract one million visitors to the emirate by the end of 2018. The authority aims to develop the emirate's tourism infrastructure and establish Ras Al Khaimah as a world-class destination for leisure and business travel, creating sustainable investment opportunities and enhancing the quality of life for its residents. In order to achieve its goals, RAKTDA has a government mandate to license, regulate and monitor the emirate's tourism and hospitality industry. Haitham Mattar, the CEO of RAKTDA says hotel investors

need to rise to the challenge of meeting the shifting demands of travelers and the specific requirements of certain demographic and geographic groups, such as millennials, families, and baby boomers, as well as halal travelers and those from emerging markets such as China and India. "Investors need to understand these requirements and must also take into consideration from the outset which type of technology will drive the sector in the future" he says "They need to consider this right at the beginning or risk becoming rapidly irrelevant". The biggest risk for hotel investors, says Mattar, is failing to embrace the changes and challenges and expecting traditional business to keep on coming. "It's no longer a case of build it and they will come." he says "It's more a case of build what they want, and they will come. There's a lot of competition on the global scene for the business of the new emerging markets. The hotel



Jonathan Worsley, co-founder of AHIC

guest is now very much in the driving seat from the very design and product development phase.”

The AHIC 2018 program was developed at a meeting of the AHIC advisory board comprising 37 of the Middle East’s leading hotel owners, developers, operators and consultants. The board agreed on several key issues - building hotels for a better return on investment with land, development and construction costs all coming under scrutiny, promoting a better understanding of value engineering, the use of renewable energy sources and sustainable construction methods for decreased costs. Commenting on the meeting, Jonathan Worsley says this year’s discussion was dominated by a clear focus on the costs of development versus the reality of returns. “There was a thirst for knowledge around issues such as risk adjustment and returns, supply and security, facilitation of foreign investment, ownership models and even exit strategies for distressed assets.” he says. The advisory board also discussed new investment vehicles; innovative finance models; cryptocurrencies and digital payments; the impact of the co-living and working movement on the hotel model; how to maximize the religious tourism market in KSA; and where and what is the new mid-market. The advisory board also revealed a desire for insights from other business sectors and for the first time, AHIC 2018 features a ‘Spotlight on Innovation’ series with speakers from outside the hospitality industry taking to the stage. There will also be live-on-stage interviews with leading hotel operators, expected to reveal their approach to maintaining the competitive edge. Keith Barr, Chief Executive Officer of InterContinental Hotels Group, appointed in July 2017, is confirmed as a key speaker, along with Christoph Hoffmann, CEO and Partner, 25Hours and Amar Lalvani, CEO and Managing Partner, Standard International.



Haitham Mattar, CEO of Ras Al Khaimah Tourism Development Authority

This year’s AHIC will kick off with a “Day of Disruption” designed to shake-up traditional ways of thinking and bring insight to the hospitality investment industry from forward thinkers operating in various sectors, from cybersecurity and cryptocurrencies to marketing and motorsports. “The hospitality industry is often criticized for not keeping ahead of trends or driving innovation” says Jonathan Worsley. “That’s because hotels are a rooms-based business model, offering bed and breakfast – something that will always be needed as long as people continue to travel. There is little motivation, quite understandably, to change this. However, as the hotel market in this region matures, competition increases, putting performance and profitability under pressure, so investors are quite rightly focusing on the future and carefully analyzing the potential of current and future assets alike. Many of the hotel owners we speak with at AHIC invest in other industries as well and are keen to see how the hospitality industry will adopt new technologies and create alterna-

tive operating models”

The Day of Disruption will bring together CEOs from some of the world’s most forward-thinking companies. These will include Frits Dirk van Paasschen, former CEO of Starwood Hotels and Resorts and author of “The Disruptor’s Feast” According to van Paasschen, established interests, change-blindness and set ways of working mean hotel brands will wake up too late to disruption, making it nearly impossible for incumbents to survive. “There is so much change still to come, and most of the industry is still asleep,” says Paasschen, who believes lodging capacity in the space between traditional hotels and first-generation peer-to-peer accommodations will be the major disruptor to the hospitality industry in 2018.

Maksim Izmaylov, CEO, Winding Tree, a specialist in blockchain technology, who holds a similar view to van Paasschen. “There is no innovation in the hospitality industry, that’s the main problem” he says. “There are no and will be no new disruptors in the industry until we break



Frits Dirk van Paasschen, author of "The Disruptor's Feast"

the monopolistic grip on it. We live in a technology-driven world. Any CEO of a travel company has to really come to terms with this. His/her company has to transform into a technology company as soon as possible. If they don't do that, they will be delegating their technological expertise to some intermediary that will abuse it."

Tim Sae Koo, CEO of social media marketing company TINT, who will share his experiences as a "digital nomad" with AHIC delegates, agrees that in-

vestors should be investing in digital technologies early on. "Hotel operators lagged a little behind, but there are quite a few companies now that are refreshing the business model and trying new things, such as Yotel, Citizen M, and Generator Hostels.: he says "People still want the human experience, but what that means is evolving and a lot of times includes more technology" The Day of Disruption will also include a live hack of the AHIC 2018 audience, led by Richard Neale of Counterhack; modern leader-

ship advice from Ferrari's Mark Arnall, Trainer of F1 star Kimi Räikkönen; and a panel session featuring 'Challengers of the Status Quo' moderated by Eric Fulwiler, Executive Director, London of VaynerMedia.

In addition to three days of engaging content, AHIC 2018 will present its first Project Showcase, highlighting regional and international hotel investment opportunities. Locally, these will include Al Marjan Island in Ras Al Khaimah, one of the few markets exceeding current performance trends with total guest nights up 17.7 per cent during the first six months of 2017 and room revenue increasing by 13.3 per cent. Haitham Mattar says these strong performance indicators clearly outline the potential for investors in looking at Ras Al Khaimah for their next hospitality venture. "As Ras Al Khaimah draws closer to reaching its one million visitors target by the end of 2018 and charts a path towards attracting 2.9 million visitors by 2025, the need for quality hotel rooms has never been so important" says Mattar.

For more information about AHIC 2018, visit: www.arabianconference.com



Al Marjan Island in Ras Al Khaimah

HOTEL INVESTORS IN SAUDI ARABIA FOCUS ON THE FUTURE

According to a forecast by MEED Projects the value of hospitality investments in Saudi Arabia currently stands at around \$1.9 billion. The first ever Saudi Hotel Investment Conference held at the Riyadh Marriott Hotel on 26 February 2018, brought together around 300 hotel investors, owners, developers and operators to discuss the future of the hospitality industry in the kingdom.



Under the theme “Focus on the Future”, the conference was opened by H.R.H Prince Sultan bin Salman bin Abdulaziz Al Saud, the president of the Saudi Commission for Tourism & National Heritage and H.R.H. Princess Basmah bint Saud bin Abdulaziz Al Saud, the chairwoman of the Global United Centre for Research and Analysis who delivered an address on ‘The Future of Saudi Tourism: Transitioning to Tomorrow’, sharing insights into Saudi Vision 2030 and opportunities for hospitality investment and development in line with the government’s vision.

Jonathan Worsley, the chairman of Bench Events, one of the conference organizers said: “Having organized the Arabian Hotel Investment Conference for the past 14 years, we have witnessed phenomenal interest from our delegates into hospitality investment

opportunities in the kingdom. Now, as the country’s drive for a more diversified economy highlights new tourism and hospitality infrastructure, we believe it is the ideal time to connect investors and operators with an event dedicated to discussing and debating the issues most impacting the hotel industry’s growth in Saudi Arabia.”

Program highlights included Gerald Lawless, the chairman of the World Travel & Tourism Council who gave a talk on “destination development” as well as Jaan Albrecht, CEO of Saudi Arabian Airlines, Abdellah Essoni, Chief Hospitality Officer, MAAD International and Yasser Faisal Al Sharif, CEO, Jabal Omar Development Company discussing “Transformational Development in the Holy Cities”

The program also featured a presentation by STR whose January Pipeline Report reveals there are currently 187 hotel projects in Saudi Arabia between the planning, final planning and in-construction stages with a total of 64,000 rooms across the three phases of the hotel development pipeline That represents 76% of the more than 84,500 existing hotel rooms in the country. The construction phase represents the largest portion of the pipeline with almost 40,000 rooms in 94 projects. Mecca is set to receive the largest amount of new supply with more than 23,000 rooms in-construction and more than 32,000 rooms total in the pipeline. Jeddah and Riyadh are each approaching 10,000 rooms total in the three phases of the pipeline.

Philip Wooller, STR’s area director for





the Middle East and Africa, says Saudi Arabia's hotel market is going through a period of massive supply expansion. "In the short term, we've already seen this growth affect performance levels, and this trend should continue as more and more properties start to come online" he says. "But it is important to note that this is part of a major long-term investment for the market to further develop its infrastructure to accommodate millions of annual visitors, which come for religious pilgrimages and as new tourism attractions spring up as part of Vision 2030."

Wooller notes that the most notable project in the tourism segment is the Red Sea beach resort project, a new luxury destination along part of Saudi Arabia's west coast, scheduled for construction to begin in 2019. According to STR analysts, this project has the potential for strong tourism business, with indications that some restrictions of the country's religious customs will be eased in this area. Wooller, stresses the importance of considering these long-term developments when assessing Saudi Arabia's hotel performance. In 2017, the country recorded a 5.2% decline in occupancy and a 4.4% drop in average daily rate (ADR), resulting in a 9.3% decline in revenue per avail-

able room (RevPAR) compared with 2016. Figures for January 2018 show that occupancy rose 6.4%, while ADR dropped 5.2%, resulting in a year-over-year RevPAR increase of 0.9%. "As oil prices continue to rise, we should see performance levels start to recuperate over time," Wooller says. "Although there will likely be a delayed effect, in the long run Saudi Arabia's investment in tourism infrastructure should help protect the market's hotel sector during future periods of lower oil prices and help boost performance growth when oil prices are high."

Dr Badr Al Badr, CEO of Dur Hospitality, a strategic conference partner, believes the Saudi economy will witness a positive shift in the coming years "The public private partnerships drive in Saudi Arabia is presenting new opportunities to attract investment into hospitality," he says "Following the announcement of Vision 2030, a more attractive investment environment is opening the doors for private investors into new areas of the Saudi Arabian economy. This creates significant opportunities for hotel investors. A large percentage of Saudi Arabia's hotel pipeline focuses on the holy cities as economists are anticipating 30 million religious tourists by 2025. But hotel development will also be prompted by non-religious destinations, cultural cities and archaeological sites." According to the Saudi Council of Economic and Development Affairs, tourism's contribution to the kingdom's GDP will increase from the current 3.5% to over 10% by 2030.

Investment opportunities in Saudi Arabia will also be featured on the agenda of the Arabian Hotel Investment Conference to be held from 17 April to 19 April 2018 in a purpose-built village on the beach of the Waldorf Astoria at Ras Al Khaimah in the UAE,



Dr Badr Al Badr, CEO, Dur Hospitality

MID-MARKET HOTELS

According to new research by Colliers International published ahead of the Saudi Arabia Hotel Investment Conference (SHIC), recent reforms in Saudi Arabia and increased investment in the kingdom's tourism industry will drive growth in the mid-market hotel sector at a compound annual growth rate of 16% between 2017 and 2021.



According to the Colliers research, the supply for mid-market hotels is expected to increase over the next five years with Mecca, Riyadh and Jeddah to see the majority of mid-market hotel openings – accounting for 54%, 16% and 12% respectively

Mohamed Awadalla, CEO of TIME hotels says the decline in Saudi oil revenues has led government departments and private companies to reduce their travel costs which in turn has led to an increase in corporate demand for more mid-market hotels rather than luxury properties. "Our current pipeline of hotels and residences aims to offer a high-quality hotel or serviced apartment for a market segment that is currently under-represented in the region," he says.

In April 2016, TIME hotels, which is

headquartered in the UAE, signed operating agreements with Saudi-based Al Fahd Investments to manage several new mid-market hotels. The properties under TIME Hotels and Resorts are set to open between 2018 and 2019 in Jeddah, Riyadh and other cities while the TIME Express hotel in Riyadh is set to open its doors in 2019 "TIME hotels has been very strategic with its openings, both in Saudi Arabia and the wider Middle East region, by identifying and assessing the demand within the market and implementing the most suitable brand from the TIME portfolio to best match consumer demand," says Awadalla "We're excited by the prospects 2018 brings and look forward to adding further to our portfolio."

Following recent reforms and the relaxation of visa regulations, Saudi Arabia is

developing a vibrant leisure and entertainment sector, supported by a new generation of midmarket hotels in its bid to pursue targets of 30 million visitors annually by 2030. "Continued development of leisure and entertainment areas as well as investment in tourism infrastructure will fuel demand for affordable serviced apartments and three and four-star properties in Saudi Arabia, particularly as the 2030 growth targets draw ever closer," says Awadalla

TOP CEO CONFERENCE AND AWARDS

Thought leaders, corporate executives and policy makers from around the Middle East are meeting this month in Saudi Arabia to discuss global issues in a regional context, look at the possible impact of such issues and consider the best ways to take both public and private organizations forward. We look ahead at what some of the region's leading business people will be discussing at this year's Top CEO Conference and Awards.



High on the agenda at this year's conference being held on April 10th & 11th at King Abdullah Economic City in Saudi Arabia will be the prospects of success for Saudi Arabia's Vision 2030 and what type of business transformation will be needed to achieve the vision. While new projects in Saudi Arabia and elsewhere in the GCC are creating high hopes for both regional and international investors, the region in the past has too often failed to deliver on its promises. What fundamental changes need to be made in order to successfully execute mega-projects? Can human capital make the culture leap? How are countries in the region trying to overcome the challenges?

At the government level, removing existing laws and regulations and putting new ones in place are necessary. In particular, antitrust laws and

anti-dumping laws will allow for a level playing field. Red tape and bureaucracy have always been a problem in the Arab world and a transformation at the administrative level, coupled with blockchain, facial recognition, crypto-currencies and other new technologies will be needed. Measures also need to be taken to improve the region's image which is too often associated with terrorism and extremism. The UAE has been able to successfully project a business image to the outside world and more recently, Saudi Arabia achieved a milestone in its national branding at the Future Investment Initiative in October 2017. What should the Middle East do to maintain the momentum? Do they need to invest the same efforts to change their images within the region?

At the corporate level, the era of abundance, high profitability and unbridled expansion is over. Added pressure from

slower market growth and rising foreign competition is leading to declining margins and slower revenue growth for companies in the Middle East. The "new normal" calls for fiscal prudence, restructuring of businesses and operations, in some cases cutting down as well, to absorb the shock waves resulting from economic slowdown and market volatility.

Many GCC corporations are adapting to the shifting environment by way of restructuring. One example is that of Abu Dhabi-based Al Jaber Group. Since completing a \$4.5 billion debt restructuring in June 2014, Al Jaber, best known as a contractor with interests in other sectors, has taken steps to sell off its non-core assets and the group is looking to restructure another \$1.6 billion of debt. Similarly, DXB Entertainments is reportedly seeking to restructure \$1.15 billion in loans that were



used to build a theme park in Dubai after visitor numbers missed expectations. What can be learnt from these and other business turnarounds? What are the do's and don'ts to achieve the right balance? Looking further ahead the conventional "corporation" is likely to be a thing of the past, replaced by venture-capital operations, professional service firms and fast-growing startups. While governments in Saudi Arabia, UAE, Bahrain and other countries in the region are trying to develop startup environments, there are still only a limited number of venture capitalists ready to commit to new ideas. What changes are needed to develop proper ecosystems?

Leading the discussion about these and other issues will be some of the region's most influential thought leaders including Amir Kanaan, general manager of Kaspersky Lab (Middle East); Asma Shabab, marketing & communications leader for Watson Internet of Things at IBM Middle East, Africa and Turkey; Dr. Ashraf Gamal El Din, CEO of Hawkamah, the Institute for Corporate Governance; Fahd Al-Rasheed, group CEO and managing director of Emaar the Economic City; Dr. Fahad M. Alturki, chief economist and head of research at Jadwa investment company in Riyadh, Khaled Al Maeena, managing partner of Quartz Communication Company; Ghada Alkeissi, a director at GE Digital MENAT & SSA. Yasser bin Faisal Al-Sharif, CEO of Jibal Omar Development Company and Saudi businessmen Hussein Shobokshi and Mohammed Abudawood

This year's Top CEO Conference and Awards will also see the launching of the Arab Women Forum, a gathering of top women executives, decision makers and professionals, as well as experts on women's empowerment. From keynotes and discussions to debates, the objective of the forum is



to analyze the transformational role of women in business and society and assess its impact on the future of Arab societies and economies. In 2017 women accounted for 23.4 percent of parliamentarians around the world. In the Arab world, they represent on average 17 percent. Women currently comprise around 45 percent of the total population in the GCC yet they represent only 25 percent of the labor force.

A World Bank report states that raising women's employment rate to that of men in the UAE by 2020 could increase the country's gross national product by as much as 19 percent. No Arab country has issued a law against sexual harassment in the workplace. While the region is undoubtedly taking steps to empower women - from the formation of the Gender Balance Council in the UAE to the royal decree allowing women to drive in Saudi Arabia - much more still needs to be done. Domestic violence, inequality in the workplace, false perceptions of Middle East women, great-

er representation in government and boardrooms, nurturing and supporting young women entrepreneurs including access to credit, and many other issues affecting women will be on the agenda

The two-day event in Riyadh will also include the Top CEO Awards ceremony honoring the 100 best-performing companies and CEOs. Only firms listed on the stock exchanges of Saudi Arabia, the UAE, Qatar, Bahrain, Kuwait and Oman are eligible for the ranking which is based on their performance during the past fiscal year. Evaluation parameters include revenues, earnings per share, profits, growth and corporate governance Deloitte, one of the top four auditing firms in the world, contributes its expertise to ensure the entire ranking process is transparent and credible.

The Top CEO Conference and Awards is organized by Trends magazine and Insead business school. For more information, visit www.topceo.me



SECRETS TO BECOMING A POWERFUL COMMUNICATOR

By Brian Tracy

Did you know that your ability to communicate effectively with others will do more to make you successful than any other skill that you can develop? Nearly 85% of what you accomplish in your career and in your personal life will be determined by how well you can get your message across and how capable you are of inspiring other people to take action on your ideas and recommendations. Once you're able to master the skill of powerful communication, you'll be living a life full of unlimited happiness. Imagine being able to express yourself openly and honestly to the degree in which others are influenced to do something because of what you have to say and how you say it.

Even if you are limited in education, experience or intelligence, being able to communicate effectively with others is the most powerful, un-limiting success tool you could ever have. Nearly 99% of all of the difficulties between human beings, and within organizations are caused by breakdowns in the communication process. Either people do not say what they mean clearly enough, or other people do not receive the message that was sent in the form in which it was intended.

The good news is that effective communication is a learned skill. According to Albert Mehrabian of UCLA, there are three elements in any direct, face-

to-face communication. They are the elements of words, tone of voice, and body language.

The Elements of Words Words only account for 7% of any message. For an effective communication to take place, of course, all three parts of the message must be congruent and consistent with each other. If there isn't any congruency, the receiver will be confused and will have a tendency to accept the predominant form of communication rather than the literal meaning or words.

Emphasis and Tone The emphasis and tone have the power to completely change the message that is being communicated. Often, you will say something to a person and they may become offended. When you express that the words you used were intended to be inoffensive, the other person will tell you that it was your tone of voice that was the issue.

Body Language You can dramatically increase the effect of your communication by leaning toward the speaker or shifting your weight forward onto the balls of your feet. If you can face the person directly and give them direct eye contact, combined with fully-focused attention, you double the impact of what you're saying.

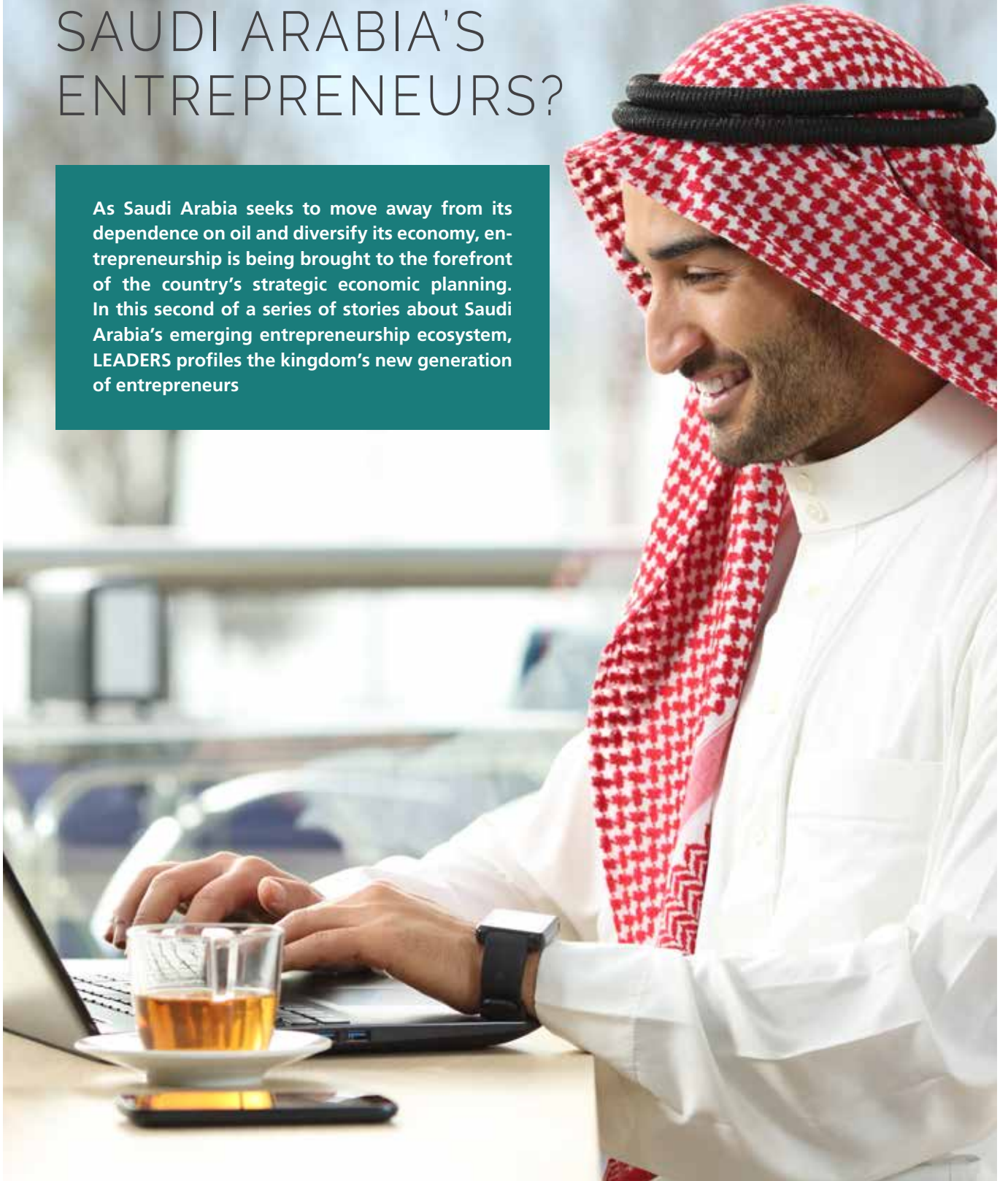
The more you can coordinate all three

of these ingredients, the more impactful your message will be and the greater likelihood that the other person both understands and reacts the way you want them to.

Brian Tracy is one of America's leading authorities on the enhancement of personal effectiveness, the development of human potential, and the art of salesmanship. A dynamic and entertaining speaker, he has motivated and inspired thousands of people toward peak performance and high achievement. His seminars on leadership, goals, motivation, time management, and success psychology draw capacity audiences. As head of two companies, Brian Tracy has consulted with more than 500 corporations in the U.S., Canada, Mexico, the Far East, and Europe. He is president of the Institute for Executive Development, a human resource company, and was formerly the chief operating officer of a development company with over \$265 million in assets and \$75 million annual sales. Brian Tracy speaks four languages and has shared his winning insights with hundreds of thousands of eager men and women in more than 80 countries on six continents.

WHO ARE SAUDI ARABIA'S ENTREPRENEURS?

As Saudi Arabia seeks to move away from its dependence on oil and diversify its economy, entrepreneurship is being brought to the forefront of the country's strategic economic planning. In this second of a series of stories about Saudi Arabia's emerging entrepreneurship ecosystem, LEADERS profiles the kingdom's new generation of entrepreneurs



The Global Entrepreneurship Monitor (GEM) is a global consortium of over 400 researchers and more than 100 institutions studying entrepreneurship and entrepreneurial activities around the world. GEM defines entrepreneurship as “any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business” In Saudi Arabia, GEM partners with the Babson Global Center for Entrepreneurial Leadership at Mohammad bin Salman College of Business & Entrepreneurship in Riyadh.

The 2016-2017 GEM Saudi Arabia survey, the third of its kind, suggests there is a strong entrepreneurial streak that runs through the country’s population and that young people, in particular, are open to starting a business of their own. One of the strengths of the survey is that it interviews the populations themselves instead of collecting data from secondary sources or business registers, thereby providing the opportunity to collect information on specific characteristics of entrepreneurs, owner-managers, in-



formal investors, intrapreneurs, and the rest of the adult population.

Gender The 2016-2017 GEM survey shows that based on the respective populations of men and women in Saudi Arabia, the male rate of participation in “total early-stage entrepreneurial activity” is 12.9%, and the female rate 9.7%. This rate is composed of both nascent (up to three months in the market) and new (from three to 42 months in the market). Interestingly, women have been rapidly closing the gap since 2009 and now make up a higher proportion of nascent entrepreneurs than do men. Taking these rates of early involvement as a bases for calculation, GEM calculates that, overall, 61.4% of entrepreneurs in Saudi Arabia are men, and 38.6% are women.

Age A large proportion of the entrepreneurial population in Saudi Arabia comprises people aged 23–42. On average, Saudis become entrepreneurs at around the age of 33. Unsurprisingly, established owner-managers are older with an average age of around 43 years. The average age of owner-managers who abandoned a business activity in 2016 was 37.33 indicating that most business exits are not due to retirement. Senior entrepreneurship in Saudi Arabia, measured as a proportion of the population aged 50–64 involved in “total early-stage entrepreneurial activity” was 5.2% in 2016. This percentage comprises 1.2% nascent entrepreneurs (operating in the market up to three months) plus 4% new entrepreneurs (operating in the market between three and 42 months). Among senior entrepreneurs 82.7% are men and 17.3% are women. 14.6% started up in the transforming sector, 12.3% in the business services sector, and 73.1% in the consumer-oriented sector.



Geography While Riyadh and Damman are regions where the majority of recent entrepreneurial activity is currently in the consolidation process, the distribution of nascent and new entrepreneurial activity suggests that the Jeddah, Medina and Mecca regions are becoming attractive start-up locations for potential entrepreneurs, In 2016, the Riyadh region had the highest rate (20.5%) of “total early-stage entrepre-

neurial activity. In Jeddah and Dammam, the rates were more than 50% lower. The lowest participation was in Mecca at a rate of just 5.7%.

Education GEM classifies those involved in entrepreneurial and business activities according to five educational categories. In 2016, among new entrepreneurs surveyed around 8% had no education (the respondent did not finish any official educational program), 40% had some secondary education (the respondent finished at least primary studies), 22% had secondary education (the respondent finished the school stage), 28% had postsecondary education (the respondent obtained a professional or university degree), and around 2% had graduate experience (the respondent holds a postgraduate diploma or doctorate). The report notes that more research is necessary to determine the reason for the overall decline in educational levels among Saudi Arabian entrepreneurs. One factor may be the increased rate of female participation as women in the past have had less access to education.

Work status GEM also classifies the portion of the population involved in entrepreneurial and business activities by their work status. This variable is



summarized in six categories: working full or part time, part time only, retired or disabled, homemaker, student, not working or other, and, since the year 2010, self-employed. The distribution of work status for potential entrepreneurs shows a relatively high spread – naturally enough, since these are people planning on starting up from diverse current situations. Generally speaking, as entrepreneurs move through the different stages of activity, culminating in operating a business, an increasing number report being self-employed, as would be expected.

Typical entrepreneur The report describes the typical early-stage entrepreneur as a man whose age has become moderately higher (from around 31–33.5 years) in recent years, who has a university degree, whose annual income is substantially lower than it was in 2009 and 2010, who works full time in his business, and who lives in a household that has declined slightly in size, from almost six persons in 2009 to five in 2016

Types of entrepreneurial activity Like most countries, entrepreneurial activity in Saudi Arabia has been concentrated in the consumer-oriented service sector (78.8%). A significant proportion of businesses (16.2%) are involved in the transforming sector. The business-service sector (4.8%) is less than what would be expected given the need for business infrastructure to serve the other two major sectors while the extractive sector (0.2%) is the weakest of the four. With few exceptions, entrepreneurial activities are initiated by a single entrepreneur or by very small entrepreneurial team. Only 36.6% of businesses have more than five employees.



A NEW MUSEUM FOR MARRAKECH

The Museum of African Contemporary Art Al Maaden (MACAAL), inaugurated in 2016, opened its doors to the international art community last February

The prime movers behind the new museum are Moroccan art collectors Alami Lazraq and his 29-year-old son, Othman Lazraq, and their charitable association Fondation Alliances. Under the directorship of Othman, MACAAL is home to the Lazraq family's private collection of contemporary African art, amassed over the past 40 years. Founded in 2009, Fondation Alliances is backed by the family's real estate company, Alliances Group. Beyond MACAAL, Fondation Alliances oversees three other not-for-profit initiatives including the Al Maaden Sculpture Park inaugurated in 2013; a bi-annual photography award, La Chambre Claire; and the Passerelles ("Bridges") program, encouraging young locals to explore the world of contemporary art and design through workshops, classes and museum visits.

Built on two levels and with 900 m² of exhibition space, the museum combines culture, leisure and lifestyle "This museum is a family museum. It is what I like to call a "human-scale" museum" explains Othman. "We want to spread the word outside the country to make Morocco and Africa shine. We're trying to give a voice to young, emerging and established artists, to be proud of their roots in their continent and not just abroad" The museum was designed to speak the same language as the local architecture. The narrow pathways, labyrinths and archways create a sense of the "medina" (city) inside the museum while an accompanying sound installation by Italian artist, Anna Raimondo, brings the noises of Marrakech's "souks" (markets) into



the museum space.

"Africa Is No Island", the museum's first international exhibition which was launched last February to coincide with the first Marrakech edition of the 1:54 Contemporary African Art Fair runs until August. It presents the work of approximately 40 emerging and established artists from across the continent. The curators are Baptiste de Ville d'Avray, Jeanne Mercier and Madeleine de Colnet, co-founders of African

art platform, Afrique in Visu. A quote on the wall from Afrique in Visu delivers the message the museum hopes to spread through the exhibition: "Africa is not an island but rather a connected territory, full of possibilities."

On display are a wide range of images - from hip-hop heads posing in their hoodies to portraits of Muslim women shrouded in their hijabs. Baudouin Mouanda contributed a series of black-and-white images depicting the



hip-hop scene in the Congo with one image showing two men peering out from under their hooded sweatshirts. “The images go beyond boundaries, and it’s beyond just Africa,” says De Colnet. “It’s about how Africa and other countries interact and connect.” Another photographer from Burkina Faso shot fishermen at work in the Congo River. Joana Choumali, a photographer from the Ivory Coast, took portraits of people with scars on their faces. Namsa Leuba, based between Switzerland Guinea, “examines African identity through the Western imagination”, while Italian/Senegalese artist Maimouna Guerresi taps into Islamic art with her regal portraits. More extraordinary still, are Ivory Coast photographer Joana Choumali’s images of the last generation of African people, still performing superficial incisions on skin to create permanent identifying marks. The exhibition finishes with a work depicting the outline of Africa in an electric blue neon light bathing a set of open French doors in a soft glow as if to say that Africa welcomes you.



Marrakech is an ideal location for a contemporary African art museum because of its close proximity to Europe, its place as a tourist destination, as well as its reputation as a cosmopolitan hub. The city also has a thriving creative scene, made global by artists like Hassan Hajjaj, whose work has received worldwide attention. "We don't have that many places like this in Morocco" says Othman. "MACAAL is bringing back the African voice here in Morocco. It is something very important touching all of us, as Moroccans, as Africans".



WHEN ART MEETS SCIENCE

The fourth edition of the Imagine Science Film Festival was held from 8-10 March at New York University, Abu Dhabi. Arranged by the global science film organization, Imagine Science Films, the three-day festival featured groundbreaking documentaries, thought-provoking scientific fiction, and experimental films from across the UAE, the Gulf and beyond.

The festival opened with the UAE premiere of "Jane". Presented by National Geographic, the feature documentary covered primatologist Jane Goodall's career and research. A sci-art exhibition "Hybrid Futures" featured the work of five international artists working in film, virtual reality, and illustration to explore the present and future state of the human and natural worlds. The second day saw three gallery talks, a matinee short film program, "Fragile Lives", and an evening feature film "Unrest",



a medical documentary-drama about a Harvard Ph.D. student, Jennifer Brea, who is about to marry when she's struck down by a mysterious condition called chronic fatigue syndrome. When doctors tell her "it's all in her head," she turns her camera on herself and her community as she looks for answers and fights for a cure. There was also a post-screening discussion with two of the directors: Jim Savio, lecturer in writing at New York University, Abu Dhabi

and Kuwaiti Artist Zahra Al-Mahdi. The final day introduced two gallery talks and a matinee short film program "Hybrid Creatures" featuring post-screening discussions with directors Noah Hutton and Giulia Grossmann, as well as conductor and live music performer Cosmic Neman and Alexis Gambis, the founder and executive director of Imagine Science Films.

Imagine Science Abu Dhabi 2018 closed with the Middle East and North Africa premiere of "Marjorie Prime". Starring Lois Smith, Jon Hamm, Tim Robbins and Geena Davis, the film tells the story of 86-year-old Marjorie, a jumble of disparate, fading memories, who has a handsome new companion who looks like her deceased husband programmed to feed the story of her life back to her. Like the best science fiction, *Marjorie Prime*'s uses technology as a mirror back on ourselves. In this case, the film shows how artificial intelligence can have a very human relevance: to family, memory, and love. The film was followed by a post-screening discussion featuring producers Uri Singer and Isen Robbins



DEVELOPING MEDIA SKILLS IN THE GCC

Abu Dhabi's Media Zone Authority and the Gulf Radio and TV Organization, based in Saudi Arabia, signed a memorandum of understanding last month aimed at developing media skills across the GCC. The two organizations intend to share training facilities in Abu Dhabi and Riyadh to organize training programs focused on broadcasting. They also intend to arrange and promote conferences and events that bring media professionals together, raise awareness of the region's growing media industry, organize a GCC radio and television festival and explore new markets for Arabic content. They will also collaborate on providing relevant information and statistics to help monitor the needs of the region's media industry.

"The media industry is very diverse and is continuously growing and becoming a key economic driver that supports the diversification strategies of GCC governments" said H.E. Maryam Eid AlMheiri, CEO of the Media Zone Authority. "At the same time, the media industry has a significant non-monetary value as it contributes to inclusive social development, tolerance, and dialogue. Guided by the values of the UAE's founding father, H.H. Sheikh Zayed Al Nahyan, we at the Media Zone Authority have also focused on the media's important social contribution through training local talent and equipping them with the tools to reach their full potential. Our partnership with the Gulf Radio and TV Organization will help us contribute further to the development of the region's thriving media landscape."



H.E. Mujarry Mubarak Al Qahtani, the Director General of the Gulf Radio and TV Organization, said the organization had been established forty years ago to increase cooperation between the GCC countries in the media industry "Today, with the advancement of technology, the widespread use of social media platforms and its impact on the media landscape, this cooperation is more critical than ever before" he said. "One area of cooperation is developing and nurturing talent. We are looking forward to working with the leading media zone in the region to train and invest in young talent."

Media Zone Authority owns twofour54 which is named after the geographical coordinates of Abu Dhabi, It is home to 470 media companies including Sky News Arabia, Image Nation, Ubisoft, CNN, Fox, Flash Entertainment, M&C Saatchi, and Flat6Labs as well as a bilingual freelancer pool and a community of aspiring media talents. Tasked with enabling a new generation of creative leaders and building Abu Dhabi into the Middle East's leading hub for content creation, twofour54 provides world-class production facilities, talent development initiatives and training, and business support services for media companies.

ABHA: AN EMERGING DESTINATION

A city of fewer than one million people, Abha is the capital of Asir province in Saudi Arabia. Situated in the fertile mountains in the south-west of the country near the Asir national park, Abha is becoming an increasingly popular destination with Saudi tourists and visitors from further afield.



When Abha was selected as the “Capital of Arab Tourism” by the Arab Tourism Organization in 2017, it was more than just symbolic. For the people of the region, it meant government investment to boost tourism and the local economy was on the way. Thousands of local residents, officials and guests gathered for a celebration to mark the occasion. Fireworks lit up the night sky at the Abha lakeside. Abadi Al-Juhar, a well-known singer and oud player, sang the city’s praises. Prince Sultan bin Salman, chairman of the Saudi Commission for Tourism and National Heritage, announced that 2.7 billion riyals (\$720 million) had been earmarked for tourism projects inside the kingdom. “It is impossible” he said, “to build new industry and economic activity and employ citi-

zens without stimulus from the state”.

Bandar Al-Fahiid, head of the Arab Tourism Organization, noted five things that contributed to the recognition of Abha as the 2017 capital of Arab tourism: its climate, its unique agricultural environment, its natural beauty and its historical, social and cultural heritage. The city is also well known for its summer festival, exhibitions, music, dance and sporting events.

In a hot and arid country such as Saudi Arabia, one of the most unique characteristics of Abha is its moderate climate. Situated 2,200 meters above sea level, the city enjoys pleasant weather all year round. Temperatures seldom rise above 35°C (95°F). Rainfall averages 278 millimetres (11 inches) annually, with the bulk of the pre-

cipitation occurring between February and April, with a secondary minor wet season in July and August.

Most farms in Saudi Arabia use drip irrigation. However, as Abha receives a decent amount of rainfall many of Abha’s farms are built on terraces which allows farmers to fight surface runoffs and retain water at the same time. Historically, the region was known for producing coffee, wheat, alfalfa, barley, senna, and frankincense. Wheat was grown in the summer and sesame was grown in wetter areas of the region. Straw was used to make mats, hats, and baskets, with specific skills being credited to Somali women in the area. Tribes in the area also weaved tents from straw.

The area around Abha is renowned for its stunning landscapes. Jabal



Assouda some 45 kilometers west of Abha is believed to be the tallest mountain in the kingdom. It's often covered by rising mist from the valleys of Thihama. The village of Al-Hubala is commonly believed to have been used to hide from the invading armies of the Ottomans. Today, the only means to access the isolated village is by cable car that plunges 300 meters down a mountain slope.

Native to the region are the Hamadryas baboons which dwell in the mountains. Feeding the baboons is popular among tourists. The baboons eat almost all types of food given to them. You can give them a closed water bottle and see how they open it and drink it or watch how they open a packet of biscuits.

Because of its strategic location, Abha was historically an important post on an ancient trade route connecting Yemen, Mecca and the Red Sea. Today, traditional markets or "souks" are still a crucial part of daily life. From culturally inspired paraphernalia to Asir's prized honey, the souks hold many secrets. For tourists, the favored souk is the Tuesday market or "souk althulatha" as it's referred to locally.

The city of Abha is home to two notable institutions. King Khalid University is a public university established in 1999 by merging the Imam Mohammed bin Saud University of Islamic Studies and the King Saud University of the South. The head office and the main printing presses of Al Watan, a major Saudi daily, are also in Abha.

Nestled deep in the Asir mountains at the foot of the Assouda Mountain is the village of Rijal Alma. Easily accessible by cable car that extends from the Assouda National Park, the village is redolent with history and tradition and well preserved. The village





consists of some sixty palaces built from natural stone, clay and wood. Some buildings are up to seven stories high and accented in gleaming white quartz. In 1985 local communities wanting to save the heritage of the area joined together to transform the region's largest fortress, dating back more than four hundred years, into a museum. Local women actively took part in the renovation works under the supervision of the famous artist Fatima Ali Abu Qahas. They also donated their silver ornaments and precious artifacts and antiquities to the museum. After two years of work, the Rijal Alma permanent heritage museum was inaugurated by H.R.H. Prince Khalid Al-Faisal, former Emir of Asir region, in 1987. The village was awarded the Prince Sultan bin Salman Architectural Heritage Prize in 2006 for its efforts to preserve its architectural heritage.



HOW TO IMPROVE YOUR POSTURE WITH TAI-CHI

For most people, their posture could use some improvement. The classic advice is to stand straight, with head up, shoulders back, and belly in. While these are reasonable adjustments, tai chi takes a different approach that may be more effective. It aims to align the body in ways that afford safe, unstrained, and graceful postures - not a military-like, one-size-fits all, rigid stance that many people think of as good posture.



Tai chi is rooted in Asian traditions, including traditional Chinese philosophy and medicine. Its two central concepts are yin and yang (opposing yet complementary forces) and qi (vital energy). When your qi freely flows, you are balanced and healthy. In tai chi, good posture centers around the principle of verticality. That means the head is centered over the torso, the torso rests over the hips, and the hips are centered over the legs and feet, your body's base of support.

The spine Tai chi classics say, "The spine should be like a necklace of pearls hanging from heaven." The goal here is to elongate your spine while still allowing for its natural curves. This can reduce stress on the discs between your vertebrae. In this position, your head will also sit squarely on top of your spine instead of jutting forward. A slight tilt forward of your head more than doubles the amount of strain on your neck muscles. For example, when you sit crouched over your desk, your muscles must work five times as hard which means your neck and upper back will often become tight and achy. Proper alignment helps prevent that.

The waist and pelvic region In tai chi classics, this area is called the "commander." It's the central, coordinating hub where all movements originate. Muscle imbalances in this area have been associated with pain in the back, knee, and even neck, along with affecting your gait and balance. Maintaining tone and flexibility in the muscles and other soft tissues of the hip and pelvic area facilitates good posture and movement patterns and reduces pain.

The feet If alignment is off at your feet, the imbalance travels up the body, possibly causing painful problems along the way. Western thinking usually attempts to correct these misalignments with products like shoe inserts, but tai

chi works to naturally correct imbalances and improve range of motion. While specifics vary with different tai chi movements, in general you should keep your weight centered over the balls of your feet and all of your toes and point your feet in the direction of your kneecaps. The result is a healthier posture that works for you without forcing your body into uncomfortable positions.

When Peter M. Wayne, medical editor of "Introduction to Tai Chi" from Harvard Medical School, began conducting scientific studies on the health benefits of tai chi, he noticed that tai chi works in a variety of ways, not just one. He formulated the idea of the "eight active ingredients" of tai chi, which he and his colleagues now use as a conceptual framework to help evaluate the clinical benefits of tai chi, explore the underlying mechanisms that produce these effects, and shape the way tai chi is taught to participants in clinical trials and to teachers. While different styles of tai chi emphasize different ingredients, these therapeutic factors are interwoven and synergistic. One of the active ingredients is "structural integration". Tai chi looks at the body as an interconnected system, not as a collection of individual parts. As a result, when practicing tai chi, you won't

do one exercise for your biceps and another for your glutes. Instead, tai chi integrates the upper body with the lower body, the right side with the left side, and the extremities with the core. Alignment and posture are part of this structural integration, and tai chi trains you to find alignments that are safe and unstrained, allowing you to perform graceful movements. You move more efficiently—not just during your tai chi practice, but throughout your day. The result is less stress and load on your joints and better balance. Similarly, improved posture has benefits that extend well beyond your tai chi class. When you walk or sit with your shoulders rounded and your torso hunched over, it is hard to take deep breaths. But when you straighten your back, roll your shoulders back and down, and open your chest, you breathe more deeply and efficiently. Not only does this integration improve your ability to move without pain, but it also affects your mental health. In two different studies, people who sat or walked more upright during the experiments had a more positive outlook afterward than those who slouched while sitting or walking.

To learn more about tai chi, its health benefits, and how to learn the movements, visit www.health.harvard.edu



A PASSION FOR CLEAN OCEANS

Swiss watch brand Breitling has announced a partnership with Ocean Conservancy, a non-governmental organisation dedicated to leading the global fight for a healthy ocean and clean beaches.



Breitling CEO Georges Kern is impressed by Ocean Conservancy and the work it has done since it was founded in 1972. “As global corporate citizens, we are thrilled to be able to support Ocean Conservancy’s mission of maintaining a healthy ocean” he says. “The organisation has an impressive

track record of accomplishment, mobilising millions in support of healthy beaches, and is passionate in its fight for our ocean, its wildlife, and coastal communities.”

Ocean Conservancy has organised tens of thousands of coastal-cleanup opera-

tions for more than 30 years in 153 countries. It attracts the support of hundreds of thousands of volunteers and has been responsible for an enormous growth in the public awareness of the pollution of the planet’s ocean and beaches. Since 1986, more than 12 million people have picked up near-



ly 230 million pounds of trash as part of Ocean Conservancy's International Coastal Cleanup.

Breitling will play an active role in some of Ocean Conservancy's initiatives. The company will organise beach cleanups around the globe, work in close cooperation with experts to recycle the collected trash in the most effective and ecologically responsible ways, and educate children about how they can help restore the health of the ocean and prevent pollution from reaching the beaches and the ocean in the future.

Breitling is one of the world's most respected watch brands and, while it has built a large part of its reputation on its links to aviation, it has also created some incredible watches for divers, including the Superocean, which was launched more than 60 years ago and remains a vital part of the Breitling collection today. In addition participating in the cleanup and educational programs, Breitling will donate part of the proceeds from the sales of a special limited-edition watch



in its Superocean Héritage collection to Ocean Conservancy.

Ocean Conservancy CEO Janis Searles Jones welcomes the partnership. "We are excited to be working with Georges and his team at Breitling" she says. "Their customers are adventurers who explore every corner of the globe and see the beauty and

wonder of the ocean from vantage points that are not easily accessible. Breitling and its customers understand first-hand that a healthy ocean – teeming with life, free of trash and plastic – is critical to life on our incredible, awe-inspiring planet. We look forward to working with them to advance our shared mission of maintaining a healthy ocean."

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