

Midsummer realities

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From June 21 to 23 the World Economic Forum (WEF) which traditionally holds its Annual Meeting at DAVOS in the winter (except for the 9/11 Special held in 2002 in New York) organized an EXTRAORDINARY Annual Meeting at the Dead Sea Resort (400 meters i.e. 1300 ft below sea level) near Amman in Jordan in the middle of summer.



His Highness King Abdullah II of Jordan graciously put the full resources of the State to making the Summit a success. The location was an inspired choice, all the major religions of the world commenced in this region. Close to the crucible of civilization a sense of history permeates through the senses. One would expect insecurity because of the proximity of the West Bank and suicide bombings, the audacity to hold the event in such circumstances not only underscored the confidence and courage of the young King but the attendance bestowed a positive vote of confidence by the world's elite. Even though the normal complement of Heads of State and Government were missing, second string leaders from the region were in attendance.

The theme of the meeting was "Reconciliation". King Abdullah II inaugurated the Conference with a call to the Palestinians, Israelis and the international community to stay the course of Middle East Peace. The young King impressed everyone with his candour and eloquence in a 30 minute extempore speech, the proceedings were force-multiplied by the fact that the Quartet for Middle East Peace - US, EU, UN and Russia - met on the sidelines of the WEF Meeting to plan the next steps for the implementing of the road map. The tension between nuclear powers India and Pakistan may have lessened over the past few months, global optimism has been tempered by increase of tensions in the Korean Peninsula. Reaction to asymmetric threats from bio-terrorism to weapons of mass destruction has differed, while the US has focused on unilateral military and intelligence actions, Europeans have sought to use multilateral institutions to address the root causes of terrorism. In a session chaired by James Rubin, formerly Press Secretary to the US President, notables led by US Senator Hagel, Shai Feldmann of the Israeli Jaffee Center for Strategic studies, Lord Robertson, NATO's Secretary General and Al Baradei, Chairman IAEA, spoke of the need for cooperation between the cooperation between the concerned States as well as action. US Secretary of State Colin Powell stayed for part of the discussions. The US Czar in Iraq, Paul Bremer, spoke to a full house in the Plenary Session, with dignitaries like Amre Moussa, Arab League Secretary General, challenging the issues concerning the present and future of Iraq after the war.

Post Iraq-war the Middle East is adjusting to the other changes on political-economic issues, notably achieving economic growth while reducing dependency on oil revenues and on stable oil prices, and managing with dramatic changes in demographics. Skeptics point to the instability in Iraq after the war, its lack of democratic roots, continuing regional tensions, and the influence of religious leaders who might well

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emerge as the most powerful force from elections. When President Bush threw his weight behind the seeking of a comprehensive settlement the peace process received a boost at the Aqaba summit. But Hamas has signaled its dissent by a spate of attacks, predictably Israel has retaliated on Hamas leaders. Besieged as he was, Colin Powell was clearly in a laid-back relaxed mood as he took a break from the tensions of direct negotiations between the Palestinians and the Israelis. At the end of the first day, the King was host at a spectacular Jordanian event complete with a multi-ethnic orchestra as well as a rendition of very emotional Arab poetry (duly translated), the evening ended with an extensive display of fireworks.

Terrorists often aim at particular targets and groups in a more dramatic escalation in global terrorism, the bombs and bullets have not discriminated by nation. The networking and interconnected terror, the increased destructive power and versatility of weapons, and the existence of rogue regimes and brokers who will supply or sell to terrorists for reasons of solidarity or venality, makes fighting international terrorism a very high priority and a global, not regional, issue. That means sharing intelligence and expertise, from banking and finance to psychological profiling and forensic investigations. Curbing terrorism will primarily require understanding root causes that give terrorist groups a constituency of supporters. This was brought out at a special Session on "Dealing with International Terrorism" in which I had the privilege of participating in a very distinguished panel including Saudi Prince Turki Al Faisal Al Saud, US Congressman Christopher Shays, Olivier Roy from CNRS, France, Foreign Minister Abdullah Abdullah from Afghanistan, Cedric Foo, Singapore's Minister of State for Defence and R.M. Abhyankar from Indian External Affairs Ministry. The second day ended with a charity dinner hosted by Queen Rania and the STARS FOUNDATION for children development. Former US President Bill Clinton enlivened the evening by giving an impassioned appeal

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to the haves to help out the have-nots. Queen Rania of Jordan was present at a Session on "Empowerment of women". Wherever women are educated and/or control some income, and are free to make decisions about their future, civil society is more stable and economic activity more robust. There seems to be consensus that Islamic tradition rather than actual tenets helps keep such impediments in place. As one intellectual puts it, "If feminism is to succeed in an Islamic environment, it must be an indigenous form of feminism, rather than one conceived and nurtured in an alien environment with different problems and different solutions and goals."

In the Session Moderated by James Rubin on "the Immediate Media: The Future of Reporting" media leaders from BBC (Nik Gowing), Ahmet Oren from Turkey, CNBC (Nigel Roberts) and Christiane Amanpour among others discussed where immediate news would drown out analysis, to what extent technology now dictates journalism and how does the new breed of journalism affect objectivity in reporting. The rush of events often means incomplete analysis of policy, policy-making is a process that takes time, and a full gathering and analysis of data. A culture of innovation and entrepreneurship needs to be nourished. In knowledge economy, innovation and the entrepreneurial spirit to translate that innovation into products and services, are essential. A policy framework must incorporate coordinated education, labour, trade, investment, banking, capital markets and industrial policies.

Pakistan was well represented, Mr Abdul Hafeez Shaikh, Federal Minister for Privatisation and Investment led a small group of businessmen, among them Rashid Zahir of Saudi Pak, Arif Habib of Arif Habib Securities, Shahid Feroze of Arfeen Group, Pervez Shahid of Bank Al-Falah and Waseem Haqqi, Chairman Board of Investment to the Extraordinary WEF event. Hafeez Shaikh was extremely articulate and his presentation as a member of an important panel engaged in discussing "Attracting and Retaining Foreign Direct Investment" was extremely impressive. Among discussants that included Ali Babacan, Turkish Economic Minister, Deputy PM Ehud Olmert of Israel, Bahrain Finance Minister Abdullah Hassan Saif and George Yeo Yong-Boon, Singapore's Trade and Industries Minister, PR and a gift of the gab only goes part of the way, substance is expected. Government and non-profit organizations often lack the entrepreneurial know-how to bring effective, innovative solutions to large segments of the population, especially the poor and other disadvantaged. Conventional businesses, which have the necessary expertise, lack the financial incentive to help. This sizable governance gap is being filled by a new category of professional called "social entrepreneurs" who are harnessing the principle of free enterprise to improve the quality of life of poor people and create social value.

We lost an opportunity to host such a WEF Central Asian Conference in 1998 in Islamabad because of the Indian nuclear explosion and our May 28 retaliation. If Pakistan wants to have real Foreign Direct Investment (FDI), such an event in Pakistan is a dire necessity and as soon as possible.

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