

# Kuwait Times 55th Anniversary BUSINESS

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**LONDON:** This file photo shows national flags of all countries attending London 2012 Olympic Games are displayed near the "Big Ben" clock Tower, at the Parliament square in London. Brexit challenges Britain's global image of openness and tolerance, but Cool Britannia has what it takes to avoid being suddenly rebranded as uncool just because it quits the EU, advertising professionals say. — AFP

## BREXIT CHALLENGES BRITAIN'S GLOBAL IMAGE

### SAVING 'COOL BRITANNIA' IMAGE FROM BREXIT BRUISE

**LONDON:** Brexit challenges Britain's global image of openness and tolerance, but Cool Britannia has what it takes to avoid being suddenly rebranded as uncool just because it quits the EU, advertising professionals say.

From music to film and fashion, Britain has for decades enhanced its image as a modern and dynamic culture. The ease of immigrating and working in Britain helped it build a reputation as a welcoming and hospitable society. But the vote to leave the European Union last June sent a troubling message of tighter border controls and an exit from the EU's single market.

"Brexit is a self-inflicted wound because you are putting the image of openness at risk, that's dangerous," said Matt Scheckner, founder and executive director of Advertising Week.

#### Unique British culture

"So to send the message that Britain is open for business is vitally important." The effusive New Yorker organized this week the fifth London version of Advertising Week, which attracted 40,000 industry professionals to four days of seminars and events in the capital's

trendy neighborhood of Soho. "The things that make British culture unique remain. Music, fashion, British content, creative content, television, film. I would say all those things are not at risk, because they are driven by creative people," said Scheckner. "But when you look at things like tourism, which is a very big industry, when you look at businesses, it has to employ young talent, the risk is being viewed as an unfriendly place for talent, for young people," he added.

#### Brexit an 'insular process'

At Advertising Week, dominated by young professionals with an international outlook, there were few supporters of Brexit. Brexit "is an inward-looking and insular process by itself" said Melanie Read of the Aesop agency. But most advertising execs still think it's possible to save Britain's brand by emphasizing the positive.

"People will have to reassert the strengths of the country, the cultural strengths, in their creation," said Matt Donegan, managing director at Social Circle marketing agency. Similarly, advertising professionals thought

Britain could emphasize other, intangible advantages such as its stable political and legal system, a qualified English-speaking workforce and even the capacity of the British people to take the best from foreign cultural influences. Adept marketers could even turn divided public opinion into a positive-presenting a diversity of views as a counterpoint to a uniform, inward-looking bloc.

Richard Staplehurst, a partnerships manager at the Latimer agency, said he remains optimistic on the ability of young people, who mostly voted to remain in the EU, to keep good vibes flowing.

"There will be enough social media activism to show the country is open," he said. "Many people will say 'it's not fair, we want you to come.'" Private activism could act as a counterweight to the often divisive public political debate. "We are naturally outward-looking and naturally innovative," Secretary of State for International Trade Liam Fox told AFP. "It is not because we are leaving the EU that our great culture will disappear," added Latimer's Staplehurst. — AFP



**LONDON:** People walking over Westminster Bridge wrapped in Union flags, towards the Queen Elizabeth Tower (Big Ben) and The Houses of Parliament in central London. — AFP

## ARAB BUSINESSES DEBATE ECONOMIC INTEGRATION

**DEAD SEA, Jordan:** The Arab business sector is looking forward to promote an economic integration towards wider and more comprehensive spaces to achieve a decent life for the Arab citizen.

This sector hopes that the 28th Arab Summit scheduled to be held in Jordan on Wednesday will support the economic integration by making some decisive decisions. In this context, Chairman of the Chamber of Commerce and Industry of Jordan Nael Al-Kabariti said yesterday that Amman Summit will be successful and will take the necessary decisions to meet aspirations of the Arab citizen. Al-Kabariti added that the Arab world is currently undergoing unprecedented conditions affecting the Arab economy and social life. This requires an exceptional and multiplying effort in the direction of joint economic action.

He said that the Greater Arab Free Trade Area continues to face non-tariff barrier, mainly due to technical constraints, not to mention the relatively large increase in the costs of commercial transport, despite that more than 19 years of operation in this region.

He pointed to the importance of a unified Arab strategy to interact with important developments, including China's initiative to build the new Silk Road which start-

ed in 2013 and found its way to implementation vigorously. "It is important to rely on the GCC countries to lead the Arab economic renaissance in the next phase, due to the GCC's integrated economic system and the achievements that we are proud of" Al-Kabariti said. For his part, Chairman of the Arab Business Union Hamdi Al-Tabbaa said in a statement to KUNA that the Union calls to discuss several files to strengthen joint Arab action. Al-Tabbaa added that the summit represents the supreme Arab political will to support joint Arab cooperation. He pointed out that the Union recommended the Arab summit to discuss important economic issues such as (Arab Customs Union), stressing the need to complete the Greater Arab Free Trade Area.

Among the economic files recommended by the Union, Al-Tabbaa said that the (Arab food security) file is a "big dilemma" in the Arab countries, which import more than half of its food needs from outside the Arab world, especially grain, sugar, meat and oil. Moreover, the issue of education, scientific research and technological progress is one of the most important economic issues to be prioritized by the Arab Summit, he added, stressing the importance of developing traditional education to specialized, qualitative, and vocational education. — KUNA

## RUSSIA SET TO REPAY ALL SOVIET UNION'S DEBT

**MOSCOW:** A quarter of a century after the fall of the Soviet Union, Russia is finally set to pay off all the foreign debt it inherited from the vanished Communist empire.

Keen to establish a reputation of a reliable borrower-despite Western financial sanctions over the Ukraine conflict-Moscow announced last week it would pay off \$125.2 million in Soviet-era debt to Bosnia-Herzegovina within 45 days. The payment "completes the settlement of the external public debt of the former USSR, which is a historic event," said Russia's deputy finance minister Sergei Storchak.

In February, Moscow paid \$60.6 million to Macedonia. After the Soviet Union's collapse in 1991, Russia assumed responsibility for its foreign debt of some \$70 billion.

#### Paying for perestroika

This was mostly contracted during the difficult perestroika era from 1985 to 1991, a time of failed attempts to reform the USSR's dysfunctional political and economic system. This commitment proved a painful burden in the 1990s as Russia faced catastrophic economic problems that culminated in a humiliating default on its foreign debt in 1998.

But in 2006 — thanks to a steady influx of petrodollars since the early 2000s-Russia was able to pay off its debts to 17 major creditor-countries in the so-called Paris Club. A payment of more than \$20 billion-or 95 percent of the value of all

Soviet-era loans-was made eight years after the 1998 default.

Russia has also allowed itself the luxury of cancelling some country's debts, with Cuba the latest in 2014. The remaining debt chiefly consisted of "commercial" debts that resulted from the imports of goods to the Soviet Union from ally countries. Such debts were formed "in a strange way", Anatoly Aksakov, head of the parliament's economic market committee, told RIA Novosti state news agency. He questioned how such countries turned out to be creditors of the Soviet Union even though it was "a very rich country".

#### A faultless borrower

In the case of the former Yugoslavia-which the USSR provided with military equipment in exchange for consumer goods-Russia faced the tricky task of dividing up the debt among the countries that emerged from its breakup. "It is politically important: Russia has paid off the USSR's debt to a country that no longer exists," said Yuri Yudenkov, a professor at the Russian University of Economics and Public Administration. "This is very important in terms of reputation: the ability to repay on time, the responsibility," he told AFP. Yudenkov contrasted this with Kiev which has refused to repay a \$3-billion loan Moscow gave the pro-Russian government of former president Viktor Yanukovich before he was ousted from power in 2014. — AFP