
For This Arab Banker Brazil Has Become More Attractive to Investors than Europe

Contributed by Alexandre Rocha
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One of the best places in the world in which to invest nowadays is called Brazil. This opinion was expressed by the Lebanese banker Adnan Kassar, president at the General Union of Chambers of Commerce, Industry & Agriculture for Arab Countries, an international organization that the Arab Brazilian Chamber of Commerce is affiliated with.

"The success of the Arab community is visible here," he said. According to him, before the eruption of the international financial crisis, Arab investors had lots of liquidity and were mainly seeking business opportunities in Europe. Now, Brazil has become a more attractive option.

"We must encourage people to come here more often, so as to showcase the possibilities that the country has," said Kassar, who arrived in São Paulo in his Legacy 600 executive jet, manufactured by Brazilian state-owned aircraft manufacturer Embraer.

The businessman stated that the ongoing crisis has no precedents and criticized the authorities of the United States and Europe for not having adopted the necessary measures to minimize its effects earlier. He cited as an example the bankruptcy of the Lehman Brothers bank, which was not rescued by the United States government.

Kassar is the president at Fransabank, the oldest and one of the largest banks in Lebanon, which he purchased in 1980 in partnership with his brother, Adel. Now, he is seeking business opportunities in Brazil himself.

"We are studying several projects," said the banker, who was the first Arab ever to preside the International Chamber of Commerce, headquartered in Paris, and has already occupied the position of minister of Economy and Trade of Lebanon.

How do you assess the situation of global economy in the face of the financial crisis?

First of all, this is an unprecedented crisis. It is unfortunate that the authorities in charge, in Europe and in the United States, did not foresee the effects it could have, and that they did not treat it seriously. The crisis originated in the United States, and I believe that the country should have paid more attention and adopted more adequate measures, such as not letting the Lehman Brothers bank go bankrupt. That led to a loss of confidence worldwide.

And how does the crisis affect the Arab world?

We are part of the world, therefore we will surely be affected. I believe that there is a lot of Arab investment in the European capital market. Thus, there should be some negative effects. However, that does not mean that we are in danger, because the Arab banks are very strong and the governments have the means for defending themselves. But there is going to be a slowdown in Arab economy.

Do you think that there will be a reduction in consumption?

I believe that, in a period of recession and losses, people are definitely going to consume and spend less.

Presently, what areas offer the greatest potential for trade relations between Brazil and the Arab countries?

I would like to say that president Lula has been going to great lengths in order to encourage said relations. His idea of creating a bloc that joins together Latin America, the Mediterranean and Gulf regions (the Summit of South American and Arab Countries) is something we support, because we believe it to be a good initiative.

The trend nowadays moves towards economically important groups. We have Europe on one side, North Africa on another, the Middle East on another. There should be a friendly group, of peoples that understand one another. We believe that we are on the right path, but there is still a lot to be done.

Unfortunately, the distances leave Arabs and Brazilians far from each other, but we, the Arab Brazilian Chamber of Commerce, the Brazil-Lebanon Chamber of Commerce, the General Union of Chambers, we must bring these people together, make them know each other, organize delegations and trade fairs.

Before this crisis, there used to be lots of Arab money, so they were seeking possibilities in Europe, and now Brazil is one of the best countries in which to invest. We can see the success of the Arab community here. Therefore, we must get people to know each other, this is the only way.

Do you believe that Arab investment in Brazil is going to increase?

Brazil is always regarded as a friendly country and the Arabs enjoy visiting it. Therefore, we must encourage people to come here more often, so as to showcase the possibilities that Brazil has. By the same token, outstanding Brazilian businessmen can participate in the development of the Arab world, which needs construction companies, technology, etc. The Brazilian private sector is very strong.

What about you, are you interested in Brazil?

Of course, we are looking at several projects right now, particularly in the banking sector, as I am the president at a banking group. We are seeking to expand our possibilities in Brazil, and we welcome Brazilian banks willing to enter Lebanon.

You own an aircraft made by Embraer, don't you?

Yes, I am one of the first customers to have bought the Legacy 600. It has been two years and I am quite satisfied. I am promoting Embraer in the Middle East. I have four friends who purchased the Legacy as well, in Jordan, Saudi Arabia, Kuwait and also one in France. We are really satisfied with the company.

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