

Saied grapples with Tunisia's economic woes

Author:

Wed, 2021-08-18 02:52

TUNIS: At the Sidi Bahri market in Tunis, shoppers were pleased with the president's attacks on corruption and high prices since he seized control of the government last month.

President Kais Saied has criticized Tunisia's economic policy, urged traders to charge less for food and medicine and accused unnamed businessmen of stealing billions of dollars while police are investigating corruption in state industry.

"The citizen feels reassured and prices have gone down in everything," said Azza Belwaer, a 36-year-old medical equipment vendor buying groceries in Sidi Bahri.

However, three weeks after Saied sacked the prime minister and froze parliament, he has yet to appoint a new government, articulate any broad economic policy or say how he intends to finance the public deficit and debt repayments.

Anger at economic stagnation, aggravated by the pandemic, helped drive apparently widespread popular support for Saied's sudden intervention on July 25.

As president, Saied has been formally responsible only for foreign affairs and defense. Before his election he gave few clues as to his economic views though some of his main supporters came from the political left.

One option may be help from Gulf states. Saied has boasted of contacts with "friendly countries" for help and has received envoys from two countries. Gulf aid could give Saied fiscal wiggle room, "letting political reforms start immediately, followed by economic reform by a stable government after elections," said economist Ezzidine Saidane.

Saied has an opportunity to take advantage of 'broad popular support' to propose urgent change.

Mohamed Ali Boughdiri

Mohamed Ali Boughdiri, deputy head of the Tunisian General Labour Union, said Saied had an opportunity to take advantage of "broad popular support" to propose urgent change.

It sees efforts to combat corruption, tax evasion and the informal economy as priorities, he said. Though the IMF has also urged efforts to reduce those, it sees tackling the public wages and subsidies as more pressing.

Saied is now responsible for resolving Tunisia's chronic economic troubles – potentially undermining the political transformation in which he appears most interested.

"In the big picture, these events have unleashed enormous expectations. It's going to be very difficult for him to meet those. He'll need the help of

Tunisia's friends and an inclusive approach," said the diplomat.



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Tunisian president receives official US delegation
Tunisia arrests 14 officials in phosphate graft probe

[UAE senior official says Taliban statements encouraging](#)

Author:

Reuters

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Tue, 2021-08-17 17:54

CAIRO: A senior UAE official said on Tuesday the statements of the Taliban are "encouraging", in the first comment from the Gulf country since the fall of Kabul to the Islamist movement.

"Nations are not built with revenge, but through amnesty, through dialogue

and tolerance,” said Anwar Gargash, the diplomatic advisor to the UAE president.

“We hope that the Afghans will turn the pages of suffering in favor of peace and prosperity,” he added on Twitter.



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Taliban chief takes charge as militants vow ‘no revenge, respect for women’
Taliban announce ‘general amnesty’ for Afghan government officials;
central bank chief flees

[Iran accelerates enrichment of uranium to near weapons-grade, IAEA says](#)

Author:
Wed, 2021-08-18 00:07

VIENNA: Iran has accelerated its enrichment of uranium to near weapons-grade, the UN atomic watchdog said in a report on Tuesday seen by Reuters, a move raising tensions with the West as both sides seek to resume talks on reviving Tehran’s nuclear deal.

Iran increased the purity to which it is refining uranium to 60 percent

fissile purity from 20 percent in April in response to an explosion and power cut at its Natanz site that damaged output at the main underground enrichment plant there.

Iran has blamed the attack on Israel. Weapons-grade is around 90 percent purity.

In May, the International Atomic Energy Agency reported that Iran was using one cascade, or cluster, of advanced centrifuges to enrich to up to 60 percent at its above-ground pilot enrichment plant at Natanz. The IAEA informed member states on Tuesday that Iran was now using a second cascade for that purpose, too.

The move is the latest of many by Iran breaching the restrictions imposed by the 2015 nuclear deal, which capped the purity to which Tehran can refine uranium at 3.67 percent. The United States and its European allies have warned such moves threaten talks on reviving the deal, which are currently suspended.

Following Reuters' report, Iran reiterated that its nuclear program is peaceful and said it had informed the IAEA about its enrichment activities. It added that its moves away from the 2015 deal would be reversed if the United States returned to the accord and lifted sanctions, Iranian state media reported.

"If the other parties return to their obligations under the nuclear accord and Washington fully and verifiably lifts its unilateral and illegal sanctions ... all of Iran's mitigation and countermeasures will be reversible," Foreign Ministry spokesman Saeed Khatibzadeh was quoted as saying by state media.

The IAEA said on Monday that Iran had made progress in its work on enriched uranium metal despite objections by Western powers that there is no credible civilian use for such work.

Uranium metal can be used to make the core of a nuclear bomb, but Iran says its aims are peaceful and it is developing reactor fuel.



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Iran warns it can enrich uranium to nuclear weapons grade Iran gives IAEA notice of escalating uranium metal work

[Egypt, Japan vow to cement cooperation](#)

Tue, 2021-08-17 23:09

CAIRO: Egyptian President Abdel-Fattah El-Sisi and visiting Japanese Foreign Minister Toshimitsu Motegi on Monday discussed bilateral cooperation and regional issues of common interest.

They stressed the need for continued consultation regarding joint efforts to prepare for the next session of the Tokyo International Conference on African Development in Tunisia next year.

El-Sisi stressed Egypt's keenness to develop cooperation with Japan in many fields, while Motegi affirmed his country's willingness to enhance its relations with Egypt in terms of economic cooperation and political

consultation.

The meeting also touched on several regional issues of common interest, including developments in Afghanistan.

El-Sisi stressed Egypt's keenness to attract more Japanese investments, while Motegi said his country attaches special importance to its relations with Egypt due to the latter's central role in maintaining stability and peace in the Middle East.

BACKGROUND

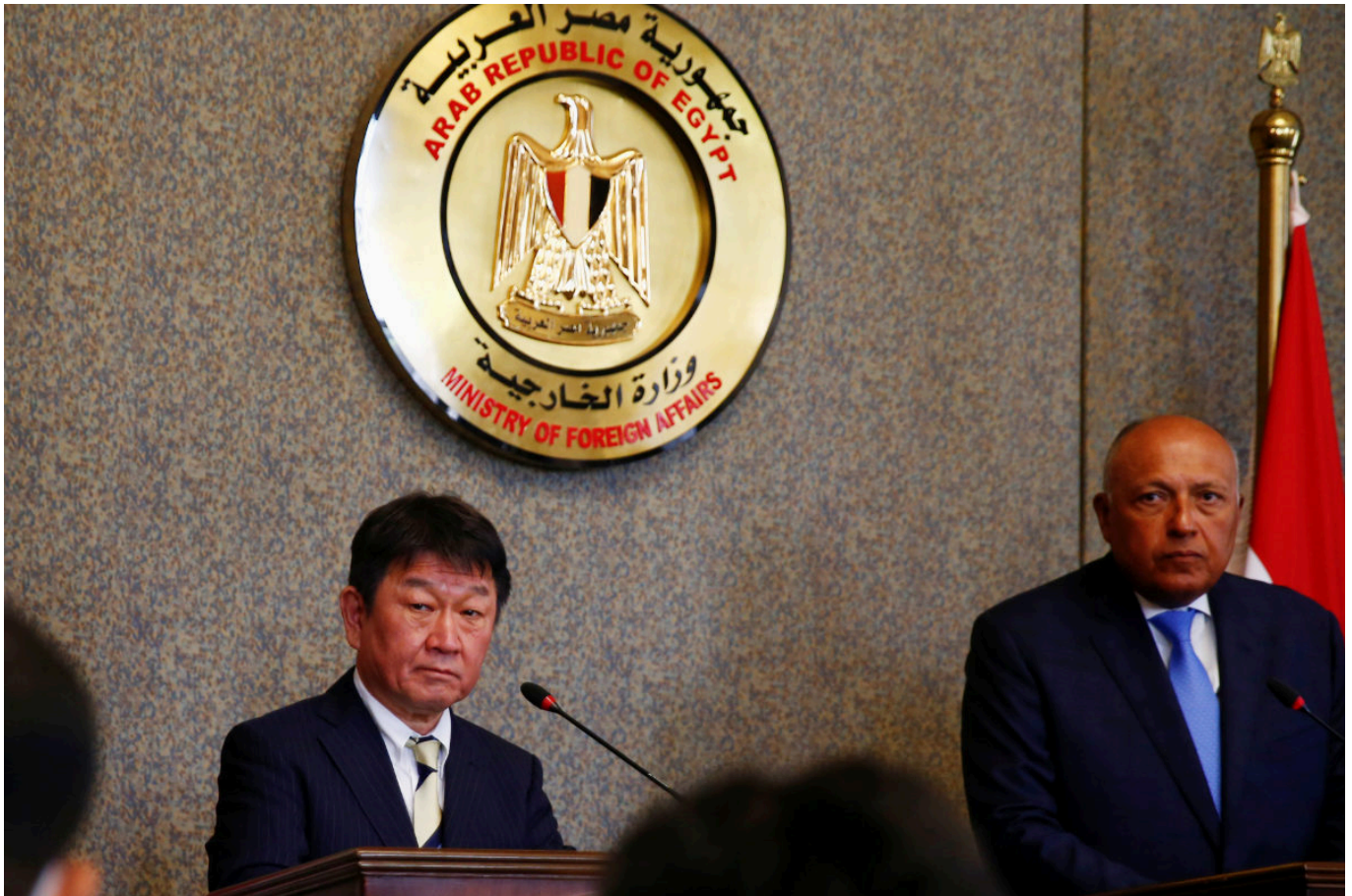
Talks between the Japanese and Egyptian foreign ministers covered Palestine, Syria, Iraq and Yemen, as well as the need for continued Egyptian-Japanese coordination in order to achieve stability.

Motegi affirmed his country's aspiration to strengthen economic relations with Egypt and increase Japanese investments in light of the growth and development that Egypt is witnessing.

He said Japan intends to intensify its efforts to implement bilateral projects with Egypt, especially in the fields of technology, energy and transportation.

He cited the Grand Egyptian Museum, which is an icon of cooperation between the two countries, and Japanese schools in Egypt.

Talks between Motegi and his Egyptian counterpart Sameh Shoukry covered regional issues including Palestine, Syria, Iraq and Yemen, as well as the need for continued Egyptian-Japanese coordination in order to achieve stability and defuse crises and conflicts.



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Egypt sends medical aid, personnel to Lebanon after fuel tanker explosion
Egypt stepping up Japan ties to promote tech studies

[PM-elect Mikati optimistic about new Lebanon government](#)

Tue, 2021-08-17 23:01

BEIRUT: The 11th meeting between President Michel Aoun and Prime Minister-designate Najib Mikati on Tuesday showed promise for eliminating the obstacles hindering the long-awaited formation of a government in Lebanon.

Following the meeting, Mikati said: “We still have a few meters left in the race, and I hope we can eliminate the remaining obstacles in a decent manner that suits everyone.

“Everyone is seeking to form a government, because if we do not, it would be

a sin against the nation.”

He added: “The dialogue has been positive, and we hope that a government will be born soon. We are working hard to eliminate all obstacles. The formation of a government in Lebanon is much like a complicated math problem that starts with calculating the representation of sects, regions and political parties and ends with people’s allegiances.”

Mikati claimed he received the support of former premiers, including Saad Hariri, who recently resigned, after nine months of fruitless efforts to form a new administration.

Mikati said on Monday that talks with Aoun would “mainly focus on naming the ministers.”

Talks between Aoun and Mikati are being fueled by US and French pressure and the suffocating conditions that the Lebanese have been living in.



Pharmacists hold signs reading in Arabic ‘no gasoline = no ambulance’ and ‘no electricity = no hospital’ as they protest in Beirut, denouncing the critical condition facing the country’s hospitals. (AFP)

Elsewhere, an argument on Tuesday at a gas station in Kafaat, Beirut’s southern suburbs, developed into a heavy firefight.

The Lebanese Army intervened, arresting some of the shooters and settling the dispute.

FASTFACT

Last week, the central bank announced it could no longer finance imports of gasoline and diesel at heavily discounted exchange rates, effectively ending a subsidy scheme.

The station was set ablaze after a B7 rocket-propelled grenade was fired at it by members of Zaiter family, who are protected by the dominant forces in the region and supported by Hezbollah and the Amal Movement.

While rows over the limited supply of fuel blaze on, the army has been carrying out raids in search of subsidized gasoline and diesel that distributors have been hoarding to be smuggled to Syria or sold on the black market.

The army raided a depot in the industrial city in Zouk Mosbeh and seized 65,000 liters of diesel and 48,000 liters of gasoline. The fuel was later distributed for free to the hospitals and bakeries in the area.

A fuel tanker was also raided in Wadi Hunin in southern Lebanon, where the army seized over 47,000 liters of gasoline.

Security forces also seized more than 70,000 liters of gasoline, hidden inside tanks and cisterns in an abandoned zone on the road leading to the airport, in addition to other quantities that were hidden inside a sand plot in the same area. The seized fuel was distributed to hospitals and owners of private generators.

The power crisis has worsened amid the severe shortages of gasoline, forcing dozens of private generator owners to scale down or completely cut supplies, with Lebanon's state-owned electricity company providing less than one hour a day. Most regions have plunged into darkness and hospitals have intensified appeals for diesel supplies to be able to continue operating.

Head of the Syndicate of Private Hospital Owners Suleiman Haroun said "the seized fuel distributed to hospitals is not enough because hospitals require 350,000 liters of diesel per day to operate."

But positive signs regarding the diesel importation issue emerged on Tuesday, where it was reported that Lebanon's central bank had approved financing for two fuel shipments at the subsidized rate of 3,900 Lebanese pounds to the dollar. The two shipments contain 80 million liters of diesel that would suffice the market for five to six days.

The Lebanese parliament will convene on Friday to discuss a strategy for dealing with the fuel crisis.

Speaker Nabih Berri called the session to discuss "appropriate action" over crippling fuel shortages.

Last week, the central bank announced it could no longer finance imports of

gasoline and diesel at heavily discounted exchange rates, effectively ending a subsidy scheme, surrendering the Lebanese to a sharp increase in prices.

The bank's governor, Riad Salameh, has been at odds with the government over the move, claiming that it should only have been done after the provision of prepaid cash cards for the poor.

Salameh has said he can resume subsidizing imports only if a law is passed allowing him to dip into the mandatory reserves.



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Hospitals in blast-hit north Lebanon grapple with outages