



# A boost from GCC women

**Dr. Manahel Thabet** argues that women in the Gulf have the power to boost the region's economy through their savings.

**A**s a result of the oil boom during 2002-2008, the GCC region generated significant wealth exceeding US\$6 trillion, including about US\$350 billion controlled by nearly 50,000 GCC women. The wealth of women in the GCC is expected to reach US\$385 billion by 2011.

Other statistics show that the size of investments managed by GCC businesswomen is estimated at US\$38 billion, including nearly US\$16 billion by Saudi women. In the UAE, there are about 15,000 women whose total net worth will be US\$4 billion, while nearly 1300 women in Qatar control US\$6 billion.

Some of the key factors that have contributed to this accumulation of wealth and the expansion of the role of women in investment and economic activities in the Gulf region include the rise of the price of oil and the economic boom itself. Encouragement for women to enter new businesses and the growing flexibility in economic and investment laws in the region have also helped.

Gulf women, however, still face a number of challenges in their efforts to play a more active role in the domestic economy and entering new businesses, especially in the small and medium enterprise segment. These challenges include lack of incentives, as well as lack of financing by banks and other financial institutions.

There is also a social factor to it. Many investment opportunities are not reaching women because they are circulated or discussed among men, and because of culture and traditions, women generally mix less with men. Consequently, what actually reach women are all too often business opportunities that have already been rejected by men.

I feel that women require more independence, incentives for their projects and flexibility in procedures to set up their own businesses to make a bigger impact on the economy.

Some women have proposed access to investment in products and tools that are specially tailored for them, even though they may feel that it's unfair to present some products and tools only for women because they want to break out of the traditional female investment sectors and embark upon new and bold enterprises.

Although women in the GCC aspire to invest in new business areas, they lack sufficient investment information to break out of the traditional female investment spheres such as gold, deposits and properties. Women in the Gulf lack the necessary information, the initiatives and market facts – they've been dealing through the middle man for a long period of time.

I urge women to become proactive and make the move. Sticking to certain traditional investment fields will create setbacks as assets decline or the price of gold heads south. Moreover, it limits success, and not casting a wider net means that better possibilities to expand activity and actions in the region are perhaps not being taken advantage of.

Many women from the younger generations have revolted against such male domination over female wealth and have begun to occupy higher positions in banks and financial institutions to manage women's money. For instance, until 2003, women in the Kuwait Stock Exchange could only make deals by making a telephone call to a broker. Now they have a separate room with female brokers and real-time information.

The playing field has not completely leveled out, though. The number of female traders is still a fraction of the number of male traders, and in some GCC countries, women do not have the full authority to execute deals. They still have to pass the deals on to men for finalisation.

Women in the Gulf's vibrant young cities spend on shopping and beauty from their grand reserved wealth. I'm confident that were this wealth managed properly, it would augment the region's financial standing. But faced with the profundity of the global financial crisis, many women have decided that it's a bad time to take a risk and have simply pulled the plug.

Western countries have recognised the increasing role of women in the Gulf, as the Arab Gulf states witness radical changes in social composition. And this is a development that is reflected in many employment areas, especially in the financial sectors, consulting, engineering, medicine and information technology – as well as through the advances seen in the investment in the government sector.

I foresee that the future is in this promising untouched wealth and that it can generate large profits to women as well as the GCC economy if utilised correctly. Through financial education, energising, empowering and enabling women to lead effective roles in financial activities, we can ensure GCC women's participation in enhancing the financial situation through investing their concealed possessions.

The author is a well-known specialised writer and researcher in the field of economics. She holds a PhD in financial engineering and has occupied several prominent positions at a number of international economic organisations. Opinions expressed in this article are those of the author and do not necessarily represent those of the MONEYworks group of magazines. This article should not be misconstrued as financial advice.