**King’s proposal to drive Arab economic growth**

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JEDDAH: Custodian of the Two Holy Mosques King Abdullah’s initiatives at Riyadh Economic Summit will create new economic entities and projects worth $ 30 billion in the Arab world, a senior banker said yesterday.  
During the Jan. 21-22 conference that was held in the Saudi capital, King Abdullah urged Arab leaders to increase the capitals of Arab joint companies and funds by 50 percent to speed up Arab economic recovery.  
The proposal, which was to channel an additional $ 10 billion to Arab economies in new funds, was endorsed by the summit. The move has been welcomed by Arab businessmen, saying it would have a big impact on increasing inter-Arab trade and investment.  
“The king’s proposal will create economic entities and projects valued at $ 30 billion in vital development sectors and create more jobs for young Arabs,” said Adnan Yousuf, chairman of the Beirut-based Union of Arab Banks.  
Yousuf estimated the total assets of Arab banks at $ 3.1 trillion, adding that 25 percent of their liquid money remains unused. “These bank assets account for 90 percent of the Arab economy,” Al-Eqtisadiah Arabic daily quoted him as saying. Lack of investment opportunities in vital economic sectors in Arab countries was the reason for these funds to remain idle.  
He described the Riyadh economic summit as different from previous Arab summits, saying the previous ones focused on political issues without taking any major decisions to speed up economic integration.  
Abdullah Al-Mubti, chairman of the Council of Saudi Chambers’ board of directors, said the readiness expressed King Abdullah to pay Saudi Arabia’s share in the increased capital funds reflected Riyadh’s pioneering role in taking Arab economies to greater growth.  
Al-Mubti underscored the summit’s decision to endorse the newly amended investment agreement, saying it would encourage Arab businessmen to invest in their countries. The inter-Arab investment agreement would allow a free flow of investment and capital between states. The agreement stipulates that the member states undertake to protect Arab investors in their territories.