

**To:** ACERA Board of Trustees

**From:** Supervisor Carson

**Date:** Wednesday, December 11, 2024

**Subject:** Insights from the Middle East and Africa Summit

Dear Trustees,

I am pleased to share key observations and insights from my recent participation in the Milken Middle East and Africa Summit.

### **Overview of the Region**

The Middle East and Africa (MEA) encompasses a diverse group of countries, including those in Southwest Asia (e.g., Israel, Saudi Arabia, Turkey, Iran), the Arabian Peninsula, and parts of North and Sub-Saharan Africa (e.g., South Africa, Kenya, Ghana, Ethiopia). These regions are increasingly recognized for their:

- **Strategic Resources:** Rich reserves of raw materials and energy.
- **Growing Middle Class:** Fueled by a younger population and expanding economic opportunities.
- **Emerging Financial Hubs:** Cities like Dubai are gaining prominence as global financial centers.

### **Opportunities**

The MEA region is well-positioned to leverage its:

- **Growth Potential:** Significant investments in infrastructure and technological innovation.
- **Rising Global Influence:** Particularly as Africa is regarded as the next major growth area for economic development.

### **Challenges**

Despite its potential, the region faces significant hurdles, including:

- **Geopolitical Risks:** Political instability in areas such as Sudan and the Gulf region.

- **Supply Chain Disruptions:** Impacts on global trade routes and resource availability.

## **Key Themes from the Summit**

Panelists emphasized the "Four D's" as critical global trends to monitor:

1. **Demographics:** Shifts in population growth and workforce dynamics, alongside increasing immigration controls in many countries.
2. **Debt:** Escalating levels of national debt and challenges in achieving fiscal stability.
3. **De-Globalization:** A shift toward regionalism and reduced global economic interdependence.
4. **Dysfunction:** Political and social instability impacting governance and progress worldwide.

## **Implications**

These factors highlight the complexity of global dynamics and the strategic importance of regions like the Middle East and Africa. With prudent investment and governance, the MEA region is poised to play a pivotal role in shaping future global financial and economic landscapes.

I look forward to discussing how these insights might inform ACERA's strategies and investments.

Sincerely,

**Keith Carson**