ISSUE #86
JUNE 2025

THE SHAFIK GABR FOUNDATION

THE GABR FELLOWSHIP NEWSLETTER

Mohammed Mubarak, Elizabeth Cartier, 2013 Fellows meeting in Toronto

Mohamed Ismail, 2015 Fellow, Magda Kura, 2015 Fellow, Magda's husband, Camilo Jimenez, Murray Abeles, 2015 Fellow, Murray's daughter, Eleanor Abeles, Muhammad Nagi, 2015 Fellow meeting in New Jersey

Pascal Rathle, 2022 Fellow, Mr. Thomas L. Friedman meeting in Dupont Circle, Washington D.C.

In This Issue

WHILST THE WORLD SLEPT

M. SHAFIK GABR

JUNE 2025

Leonard ("Len") could not stop laughing. It was not like him. Len, a distinguished diplomat that served his country around the world, in his late 60s, tall, athletic, Jewish and with an extremely high IQ.

He looked at all of us, his guests, and said, "Israel has the right to defend itself," and gave a broad cynical smile. "Therefore," he added, "it can do whatever it wants."

We were at his beautiful estate in Maryland - large, over 25 acres. A beautiful home, a ranch with three Arabian thoroughbreds and a large cowboy barn-like structure that held cowboy gear on the walls, a billiards table, an amazing six-piece arcade including one with a racetrack, another flying a fighter jet and landing on an aircraft carrier and one created based on Star Wars. It was an adult's fantasy world.

I thought to myself, I could spend hours here and not get bored.

Large screens on the wall showed CNN, Fox News, MSNBC, BBC World and Bloomberg.

We were invited by Len for a barbeque and an engaging discussion - no event of Len's did not dig deep into world affairs, be it political, business, social, tech or other.

Len, in cowboy boots and hat, stopped laughing and said to all of us as he poured a beer behind his elegant bar on the north side of the massive barn, "Don't get me wrong, I love Israel, but what is going on is a horrible, sickening joke, created and directed by Netanyahu. He must go before he infects all Israelis with his sickness and brings global hate."

Jemima Blunt, Chairwoman of a prominent British think tank in a very attractive cowboy outfit, including hat, scarf, boots, belt and matching jewelry stood up, walked towards Len and said, "The world is a mess and Israel's actions, combined with 93 other conflicts of varying degrees will bring the global economy into great stress, plus make the world vulnerable to many unpredictable unknowns."

I expressed my agreement. I, too, wore cowboy boots, jeans, a croc belt, a cowboy shirt, and a bolero silver tie with a silver ghost horse. I always tried to follow the host's attire rules.

Rajiv Anand, a very wealthy Indian who was a Bollywood king and a big Hollywood participant, was sitting across from me and diagonally from Samir Lahud, a banker from Lebanon who was fidgeting as he sipped an espresso martini, and exclaimed, “The world is on fire, but we don’t realise it yet.” He detailed the conflict between India and Pakistan, the horror in Myanmar, the tension with China, the significant political stress in Bangladesh, the China-Taiwan conundrum, America’s foray into Mongolia between Russia and China, plus the South China Sea shadow boxing.

The picture Rajiv detailed was quite concerning, as it had a lot of uncertainty and in my mind, he neglected to bring up Kashmir and Tibet.

Samir picked up the conversation and as is typical of a banker, stated that the FDI flows into developing companies had dropped to their lowest levels since 1996, from over $450 billion to $335 billion. “This fact,” Samir added, “should be sending alarm bells, as growing tariffs plus investment and trade barriers, plus global conflicts, will pose a very serious threat to global growth and job creation.”

Sheikh Abdalla from Qatar, owning and managing an asset management company in London, was in a three-piece suit and a bright red tie. Abdalla was young, in his early 40s and extremely active. He held an unlit cigar in his left hand and was sipping a large mug of Earl Grey tea. Abdalla, with a pencil-sharp mustache, spoke in a tight but sharp voice, exclaiming, “Not only is Asia in turmoil, but so is the Middle East, in a very big way, plus Africa.” Abdalla, slowly placing his mug onto a beautifully carved walnut wood table, explained that the status quo is no longer sustainable. “Sudan is literally in hell, Somalia is disintegrating, Syria looks good, but it's a charade and will become another Muslim Brotherhood-type state, Gaza - a genocide that the world has ignored…” He described in detail, showing a video on his iPad of bodies strewn amongst rubble, with horrific images of destroyed humanity, including children, women and men. Two images made me squirm…a young man with a bullet through his eye, among other bullets in his body, lying in a pool of blood, and a child - his left foot with no shoe, and his right foot gone, lying on top of who was presumably his dead mother.

Len came after overseeing a number of guests, receiving plates of food in a casual manner, by five professional servers.

Many of the guests congregated around Yellowstone double pedestal tables, carved in different attractive shapes and colours. On the east side of the barn, near the entrance, there was a large buffet of steaks, hamburgers, kebabs, hot dogs, corn on the cob, plus an array of salads, in addition to multiple sauces.

I had lost my appetite but joined a group that were gathered including: Len, Mario Alvarez, a Floridian originally from Cuba, owner of a baseball team and multiple media outlets; Jean Durand, a French founder and owner of a string of gourmet food stores across Europe; Andreas Santos from Rio and owner of a global jewelry chain built on gemstone mines he inherited from his father, but expanded worldwide.

All were digging in and I put food on my plate but basically used my knife and fork to move it around to appear as though I was joining all in eating, but I found it difficult to eat after watching Abdalla's video. I was wondering: could we not, as human beings, do better?

Layla Botros from Lebanon, a world-renowned art historian, joined us at our table carrying a plate full to the brim. Layla was not only attractive and very slim, I couldn't imagine where the food went. With Layla was Marcus Turnbull from the UK, a legal expert that served in a number of global institutions.

As the discussion led by Len covered the divisiveness in America, tension with Canada and Mexico - Layla intervened saying, "And what next?"

Layla asked, "Can we close our eyes to where we are going? There is no rule of law," she added. "It's whoever has the power who makes the rules and it is an easy task to invent excuses to act outside the law, disregarding morality and humanity." She explained that earlier Len had expressed his cynicism about Israel's right to defend itself when it massacred over 50,000 Palestinians in Gaza, half children, evicted and killed Palestinians in the West Bank, occupied five hills in Lebanon, 12% of Syria in addition to The Golan Heights, bombed the region at will, started by striking Iran and massacring all its military leadership, yet continued to act as though they were the victim.

Marcus, as he was munching his hamburger, looked across the table, noted Layla having stopped, put his sandwich down, used his napkin, then spoke: "To add to the mess, all global institutions have died, but we have not recognised it yet. The UN is useless. Shameful that it meets, spins its wheels, and not one decision has been implemented in decades...always either vetoed or ignored."

Jean added that the WHO, WTO, FAO, World Food Program, Red Cross and many other organizations have become useless and worthless.

Mario remarked, "We are all missing the key points. Firstly, it's not Israel, but Netanyahu that needs to be held to account. He is leading Israel astray, and harming Israelis of today and tomorrow through his insanity, just to serve his personal agenda. Secondly, without rule of law, the rule of the jungle will take over and destroy our humanity and morality. Third, we are witnessing horrific facts and ignoring them in an unprecedented manner, not aware of the cost around the corner. Fourth, it is a joke, as Len mentioned, that Israel's excuse to strike Iran is to defend itself. Is there a reason for any country to end its nuclear programs after what happened to Gaddafi in Libya?" He questioned, "If Iran did get a nuclear bomb, regardless of how much I hate the regime, would it dare use it against Israel, which has an arsenal of nuclear weapons? Fifth, in a few years, if not earlier, nuclear weapons will be useless, given how AI will be weaponized. In a few steps, weaponized AI can paralyze a whole nation without firing a single shot. No communication, no water supply, no power, no functioning hospitals, no internet, no nothing... total darkness, physically and mentally."

Mario stood up now and said, “I am sorry to all of you, but we are sleepwalking to the abyss.” He coughed. “We are busy with our smartphones and watching the incredulous charade of the Israel-Iran-U.S. bombing play, which, if as has been reported, Iran has moved its enriched Uranium before the attacks, it has made a farce of what has taken place. Sorry Len, I don’t usually end a beautiful gathering like this with such a depressing statement.”

Len got up, held Mario in a bear hug, as Mario had apparently lost a brother recently, and Len knew him.

As Len released Mario, Jean stood up and in a distinct French accent, said in English, “Len and dear friends, not only is Mario correct, but as you and I observed in June in The Hague, there was a meeting of clowns and a magical ringmaster.” Andreas explained that Jean was referring to the NATO meeting, during which all attendees - with the exception of Spain - succumbed to President Trump’s decree of increasing their military spending to 5 percent of their GDP.

Jean detailed that Rutte, NATO’s Secretary General, kept going public, saying all the military spending is to make NATO stronger and protect it against aggression, while in reality NATO has never been attacked since creation, expansion and attempts to land on Russia’s border with Ukraine.

I noticed a lot of the group were whispering about the NATO meeting and Trump’s dominance.

Mario waved at the group and walked toward the exit, as the sun had disappeared below the horizon and everyone was in “goodbye mode”. Len asked me to connect by phone tomorrow to discuss the region, and I greeted everyone around our table and walked out toward where the cars and drivers were parked.

Layla and Mario were ahead of me as I approached my car. Jesse, my driver, was there with a big smile. He’d had a big lunch, he said.

As we were driving home, I looked out the window as the moon was rising. My deep concern emerged: that we human beings have destructive DNA built in-something my dear doctor, Alec Chester, had told me. I thought we were better, but it seems I am wrong. As the world is sleeping, we are slipping into the abyss. A question hovered in my mind as we approached my home: What will wake us up before it’s too late?

ABOUT THE AUTHOR

M. Shafik Gabr is a renowned leader in international business, innovation, and investment; and is one of the world's premier collectors of Orientalist art, and an accomplished philanthropist. During his career, Gabr established over 25 companies, plus three investment holding companies, including ARTOC Group for Investment and Development, which is a multidisciplined investment holding company with businesses in infrastructure, automotive, engineering, construction, and real estate. Over the past three years, he has focused on investment in technology and artificial intelligence. Gabr is the Chairman and founding member of Egypt's International Economic Forum (EIEF), a Board Member of Stanhope Capital, International Chairman of the Sadat Congressional Gold Medal Committee, and serves on the Advisory Board of the Center for Financial Stability. Gabr is also on the Steering Committee of the Parliamentary Intelligence Security Forum, on the Advisory Board of The Middle East Institute, and on the Global Advisory Council of the Mayo Clinic. He is a former Member of the Metropolitan Museum's International Council and former member of the International Business Council of the World Economic Forum. In his capacity as Chairman of EIEF, Gabr has hosted global leaders from the worlds of politics, economics, business, media, technology, and culture. These include President Vaclav Klaus; Secretaries James Mattis, John Kelly, and Rex Tillerson; H.E. Amr Moussa; members of Congress; business leaders in technology; academics; and media figures from CNN, Fox, and CNBC. Gabr has also hosted six CNBC programs on 'World Business' and 'Peer to Peer.' Moreover, as Chairman of the Shafik Gabr Foundation, Gabr regularly hosts his interactive 'Expecting the Unexpected' working dinners in Cairo, Davos, London, Munich, and Washington, DC. The dinners are off the record and engage leaders across the board in timely predictions of geopolitical and geoeconomics issues. The most recent dinners were held in Davos on January 16th, 2025 during the World Economic Forum, and on February 16th, 2025 at the Munich Security Conference. The guests included former Presidents, Ministers, Ambassadors, U.S. Congress members, international organization chairs, heads of think tanks, business leaders, and distinguished scholars from Europe, the Middle East, the United States, and Asia. Gabr was previously the Chairman of the COMESA (Common Market for East and South Africa) Business Council and a member of the Executive Board of the International Chamber of Commerce (Paris). He also served on the advisory boards of

Zurich Financial Services and The Paul H. Nitze School of Advanced International Studies (SAIS). Furthermore, Gabr was a founder of the American Chamber of Commerce in Egypt in 1982, serving as its first Egyptian President from 1995 until 1997, and was a Founding Member of the Wilson Global Advisory Council.

Gabr has been recognized among the “Most Influential Arabs” and “Top 50 in NY.” In 2009, Mr. Gabr was presented with the Foreign Policy Association’s (FPA) award for Corporate Responsibility. In June 2014, Mr. Gabr was awarded the Meridian Global Citizen Award in Washington D.C., and in November 2014, the Middle East Institute’s Visionary Award. In March 2015, Gabr received the American University in Cairo’s Global Impact Award in New York. In May 2016, Gabr was awarded the College of Mount Saint Vincent’s Saint Vincent de Paul Award and Drew University’s Peacebuilder Award. In September 2017, Gabr received the Policy Direction and Leadership Award from the London Center for Policy Research. Most recently, in November 2024, Gabr was awarded the highest honor conferred upon foreign nationals by the President of Italy: the ‘Grande Ufficiale’ (Grand Officer) of the ‘Ordine della Stella d’Italia’ (Order of the Star of Italy) for his extraordinary achievements and merit.

Since 2016, Gabr has focused his attention on innovation and investment in technology, as well as his Foundations. Gabr has invested in a wide spectrum of technology companies, ranging from startups to fully mature companies, and in many sectors in between. Gabr’s focus is multidimensional in a world of technology, which is reflected in his personal approach to the sector through its multifaceted applications, including AI, machine learning, data mining, mobility, and business.

M. Shafik Gabr’s contributions and insights have been the subject of numerous articles, including some published in Egypt Independent. Additionally, his perspectives on international business, investment trends, and cultural diplomacy have been featured in interviews with global media outlets such as Bloomberg, CNBC, BBC, Al-Horra and many more. Through these platforms, Mr Gabr has highlighted his extensive work on cross-cultural dialogue and offered perspective on world markets and geopolitics.

Through the Shafik Gabr Social Development Foundation, Gabr is helping to improve elementary-school education in Egypt, introducing students to arts and culture, and promoting sports and physical fitness for youth. In the area of higher education, Gabr is a major supporter of the American University in Cairo. The Foundation also developed a free medical-care system by providing “Medical Caravans” for residents of underprivileged areas of Greater Cairo. The Foundation established its first Medical and Social Development Center in Mokattam, Cairo, offering free medical and health services. In 2012, Gabr established the Shafik Gabr Foundation in the U.S., which supports educational and medical initiatives and, in November 2012, launched the ‘East-West: The Art of Dialogue’ initiative (see www.eastwestdialogue.org), promoting exchanges between young emerging leaders from the U.S. and Egypt with the purpose of cultural dialogue and bridge-building. At present, the Foundation’s Fellowship program has 141 Fellows.

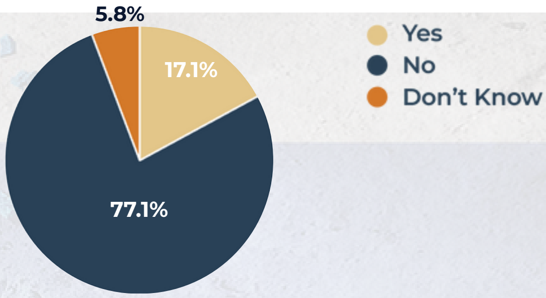
Mr. Gabr is recognized as one of the world’s largest collectors of Orientalist art, amassing a unique and extensive collection that captures the beauty, culture, and history of the Middle East and North Africa. His collection showcases masterpieces from the 19th and early 20th centuries, reflecting the works of prominent Orientalist painters who were captivated by the region’s vibrant landscapes, traditions, and people. Through his dedication and passion for preserving and sharing these historical artworks, Mr. Gabr has significantly contributed to fostering cultural appreciation and understanding of the Orientalist movement on a global scale.

Gabr holds a BA in Economics and Management from the American University in Cairo and an MA in Economics from the University of London.

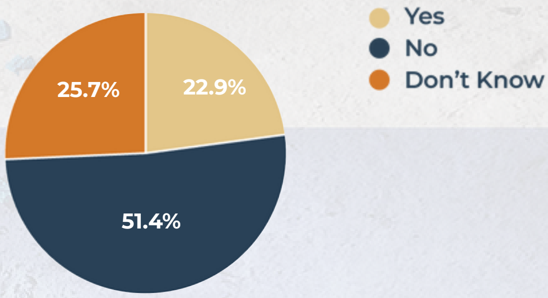
MONTHLY WORLD PREDICTIONS

In an era defined by uncertainty, geopolitical tension, and rapid technological transformation, the Gabr Fellowship community offers a unique lens into the perspectives of emerging leaders across sectors and continents. To capture the outlook of Fellows during this pivotal moment, the June 2025 poll reflects their views on a range of timely global issues. Conducted amidst ongoing challenges in governance, economic stability, and international relations, the poll serves as a snapshot of how this diverse network is thinking about the forces shaping our collective future.

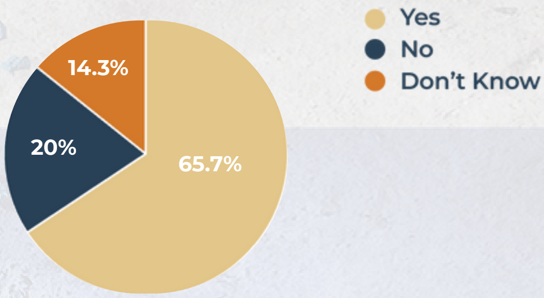
Do you believe Israel is justified in attacking Iran?



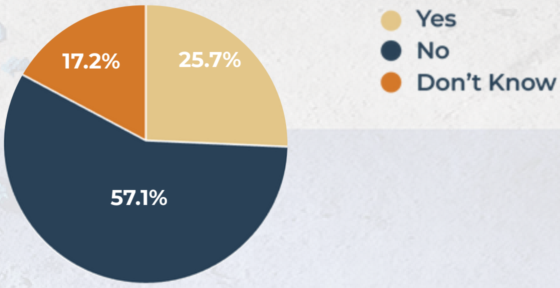
Is cryptocurrency a good investment for the next six months?



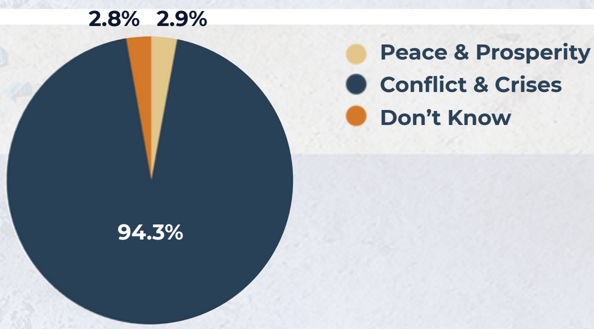
Will the global economy contract in the next six months?



Will the Russia–Ukraine war come to a standstill before the end of the year?



Is the world moving toward more peace and prosperity, or rather toward conflict and crises?



FELLOWS UPDATES

Stephanie Lord, 2014 Fellow

Stephanie Lord, 2014 Gabr Fellow, has been promoted to Vice President, Strategic Partnerships at Vital Voices. In this expanded role, she will lead the organization's global engagement strategy—cultivating partnerships that support women leaders and drive sustainable impact worldwide.
With nearly 20 years of experience in international development, Stephanie is a passionate advocate for gender equality and a proven leader in cross-sector collaboration. She continues to be inspired by the women at the heart of Vital Voices' mission and looks forward to deepening global partnerships to advance their work.

Alphaeus Hanson, 2025 Fellow

Alphaeus Hanson, 2025 Gabr Fellow, is playing a key role in the development of the Future 50, a new intergenerational foresight fellowship led by the World Economic Forum's Global Foresight Network. The program addresses short-termism in governance by equipping leaders with practical foresight tools to shape long-term, inclusive policy.

Alphaeus is coordinating thought leadership for the inaugural cohort and synthesizing insights to inform both a publication on intergenerational impact and a forthcoming handbook. As the fellowship progresses, he will also support fundraising and the program's strategic growth.

Elizabeth Dent, 2015 Fellow

Elizabeth Dent, 2015 Gabr Fellow, and her husband Corey Sunstrom are delighted to share that they are expecting their first child later this year. As they prepare to welcome this exciting new addition to their family, we send our heartfelt congratulations and best wishes for a joyful and healthy journey ahead.

FELLOWS UPDATES

Jeremy Pesner, 2022 Fellow

Jeremy, 2022 Gabr Fellow, has begun an AI policy consulting role with AI4ALL, an education-focused startup working to increase access and equity in artificial intelligence. In this role, he is helping the organization develop internal policies for the ethical use of AI and data, contributing to a responsible and forward-thinking approach to technology integration.

Mariam El Sherif, 2025 Fellow

Mariam El Sherif, 2025 Gabr Fellow, has officially launched *OneFurever* and is opening its office at the Greek Campus in Cairo!

OneFurever is a platform dedicated to helping pet lovers take meaningful action—whether it's adoption, rescue, reuniting lost pets, or organizing playdates. It's more than just a service; it's a growing community that puts pets first.
Mariam has been part of the entrepreneurial scene for 12 years, leading Fame, a digital marketing agency. With *OneFurever* opening its doors at the Greek Campus, she continues to expand her impact—and we look forward to what's ahead.

Abdullah Hussein, 2025 Fellow

Abdullah Hussein, 2025 Gabr Fellow, was recently appointed Senior Advisor for Strategic Programs and Affairs at the Ministry of Higher Education and Scientific Research, while continuing as Managing Director of Upnxt Experiences and Chairman of Identechs Smart Solutions.

He was featured on the 2025 MENA Impacters List by People of Impact (Dubai) and joined the "Up and Running" podcast to discuss innovation and leadership. Abdullah also recently attended the Humans in 5D workshop, exploring personality dynamics in the workplace.

FELLOWS UPDATES

Bhargav Srinivasan, 2025 Fellow

Bhargav Srinivasan, 2025 Gabr Fellow, shared two exciting professional updates:

He has been selected as an inaugural Fellow of the US-Ireland Alliance, where he will explore trade dynamics in technology and pharmaceuticals between the two countries. Additionally, starting July 1, he will be joining the Council on Foreign Relations as a Term Member—an opportunity he looks forward to engaging with deeply.

On a lighter note: Bhargav recently attended Game 5 of the NBA Finals in Oklahoma City. He described it as the loudest sporting event he's experienced in the U.S., with a sea of coordinated white and blue Thunder fans and a staggering 105-decibel atmosphere—truly a sight and sound to behold!

Robert "Kemp" Gouldin, 2015 Fellow

Robert "Kemp" Gouldin, 2015 Gabr Fellow, led a historic milestone on the weekend of June 13, as his organization, Because Baseball, partnered with Major League Baseball and the MLB Players Alumni Association for the fourth annual Play Ball Weekend in Egypt. The event featured the first live baseball broadcast from Egypt, aired on MLB Network, with All-Star Hunter Pence celebrating the energy and enthusiasm of Egypt's youth.
Because Baseball is currently raising $75,000 to support its Fall 2025 programs—join the effort to grow the game and build lasting connections through sport.

Click here to learn more.

ABOUT THE FELLOWSHIP

2022 Gabr Fellows at the National Defense University with the NDU's President, Lt Gen Michel Plehn

Launched in 2012, the Gabr Fellowship program helps connect and build constructive relationships between future leaders aged 24 and 35. Each year, the Fellowship consists of 20-24 Fellows, half of whom are men and the other half women, with an equal distribution between participants from the United States and Egypt. The Fellowship also accepts applicants from Jordan, Lebanon, France and the United Kingdom. Fellows represent a variety of sectors, including the arts, law, finance, tech, non-profits, and entrepreneurship – both business and social.

The mission of the Fellowship is to promote greater mutual understanding by building bridges between the two cultures by instigating dialogue and the exchange of ideas between emerging leaders from the United States and Egypt. Together, they explore one another's cultures, political realities, business trends and their goals for the future.

In addition to engaging in deep discussions with key stakeholders from both countries in business, government, academia, religion, science, tech and finance, all Fellows are invited to form multinational teams to complete an action project. These projects empower the Fellows as intercultural ambassadors, amplifying the Fellowship's reach and impact.

Ultimately, through hands-on activities, rigorous discussions, cultural site visits, and the collaborative action projects, the Fellows have a greater understanding of both countries and become part of an international cohort dedicated to building a more equitable and peaceful world.

Gabr Fellows with Major General Mohamed El Keshky, Egypt's Former Assistant Minister of Defense

The Gabr Fellows have acquired a greater understanding of both Egypt and the United States and the challenges faced by both communities. Having served as cultural as well as linguistic ambassadors to one another, they then return home to play the role of diplomat, introducing Egyptians and Americans to a people, a culture and a future never before explored in this way.

Together, they are creating the legacy of 'The Gabr Fellowship: an international cohort dedicated to pursuing cooperative, collective solutions to their region's most pressing issues.

Gabr Fellows at the Pyramids

FELLOWS’ EXPERIENCES

Gabr Fellows Show Support at Al-Ahly’s Matches Against Inter Miami CF and Palmeiras in Miami and New Jersey

Muhammad Nagi, Mohamed Ismail, 2015 Fellows

Mohamed Ismail, 2015 Fellow:
“I first met the Gabr Fellows in 2015, when we were complete strangers. Nearly a decade later, our bond has only grown stronger, undeterred by time or distance.
Earlier this year, fellow Gabr alumnus Muhammad Nagi made the long journey from Cairo to Miami, where we watched Al-Ahly—Egypt’s most beloved football club—play in the opening match of the FIFA Club World Cup. For the second game in New Jersey, we were joined by our American friends and 2015 Gabr Fellows Magda Kura and Murray Abeles, along with their families, to cheer on Egypt’s representative football club. It was a heartwarming reunion, and I deeply treasured the time we shared.”

Murray Abeles, 2015 Fellow:
“The spirit of connection fostered by the Gabr Fellowship continues to thrive years after the program concludes. Recently, a group of 2015 alums, including myself, reunited in New Jersey to share in the excitement of a FIFA Club World Cup game at MetLife Stadium, cheering on the Egyptian team Al Ahly. It was a truly special occasion to reconnect with fellow Egyptian Fellows Nagi and Ismail, and American Fellow Magda. Beyond reminiscing about our shared experiences, I also had the joy of introducing my daughter, Eleanor, to the Fellows family and the vibrant energy of the beautiful game. These moments underscore the lasting bonds and cross-cultural appreciation that are hallmarks of the Gabr Fellowship.”

Magda Kura, 2015 Fellow:
“On June 19, I had the joy of attending my first-ever soccer match — and what a match it was: Al Ahly (Egypt) vs. Palmeiras (Brazil), right here in New Jersey!
What made the day truly unforgettable wasn’t just the game itself, but sharing the experience with dear friends from Egypt — Ismail, visiting from D.C.; Nagi, who flew in from Cairo; and Murray, whom I rarely get to see. Despite a tough loss for Al-Ahly, the energy, laughter, and connection we shared made it a day filled with joy and lasting memories.”

SUPPORT THE FOUNDATION

THE SHAFIK GABR FOUNDATION INVITES YOU TO INVEST IN THE FUTURE AND PARTNER WITH THE FOUNDATION USING ONE OR MORE OF THE FOLLOWING MEANS.

SPONSOR A FELLOW

Individuals have the opportunity to nominate a Fellow and if selected, sponsor their participation in the Gabr Fellowship. Sponsors will be recognized in all Foundation publications, marketing materials, and at all events.

CORPORATE PATRON

Corporations can nominate Fellows for participation in the Fellowship Foundation and sponsor their participation on a company-wide level. The company will be listed in all publications, the logo will be presented on the Foundation's homepage and be given visibility at all events in the United States and Egypt.

UNRESTRICTED SUPPORT

A general operating grant can empower the Foundation to continue to invest in innovative platforms to facilitate ongoing dialogue between the East and West. From new technologies to expanding the program to more countries and a greater number of participants, the Fellowship can create a broader multiregional impact.

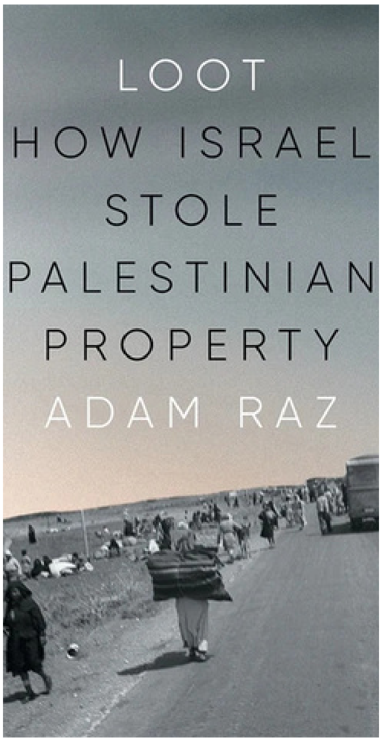
TO SUPPORT THE FOUNDATION VISIT https://www.eastwestdialogue.org/fellowship/how-to-support/

OR PLEASE CONTACT SARA@SHAFIKGABRFOUNDATION.ORG

We also invite our community to contribute thoughts, stories, and recommendations for the newsletter!
Please write to sara@shafikgabrfoundation.org

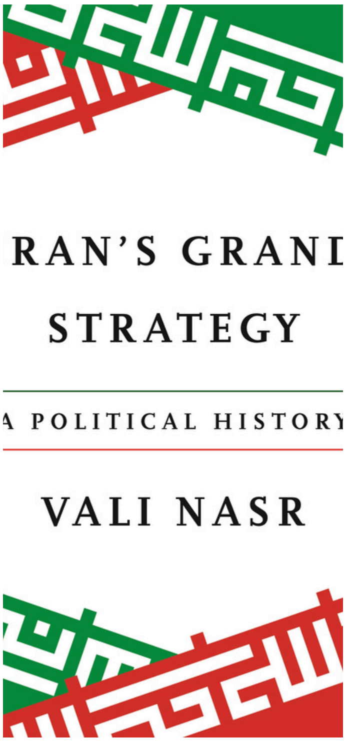
CHAIRMAN'S RECOMMENDATIONS

BOOKS YOU DON'T WANT TO MISS



Loot:
How Israel Stole Palestinian Property
Adam Raz

Exposes how during the 1948 Nakba, Israeli forces and civilians systematically looted Palestinian property as part of a broader effort to prevent return. Based on archival research, the book reveals the widespread complicity and lasting impact of this dispossession.



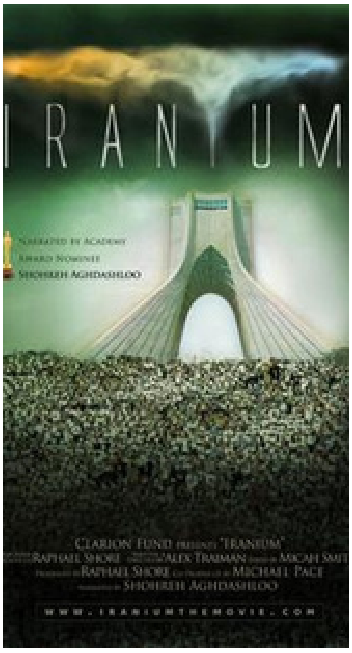
Iran's Grand Strategy
A Political History
Vali Nasr

The book written by Vali Nasr reveals that Iran's grand strategy is driven by fears of external aggression and internal collapse. Beneath its theocratic image, Iran seeks regional influence and national stability through calculated, long-term policies.

MOVIES & DOCUMENTARIES

Taxi Tehran (2015)

Taxi Tehran (2015), directed by Jafar Panahi, features the filmmaker posing as a taxi driver to capture candid conversations with passengers. The film subtly critiques censorship and reveals daily life under Iran's regime.

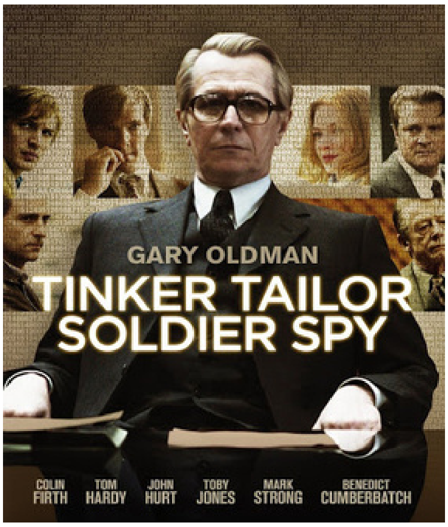


Iranium (2011)

Iranium (2011) is a documentary that explores Iran's nuclear program and its potential threat to global security, tracing the country's history since the 1979 revolution. It features expert interviews and argues that Iran's regime poses a serious ideological and military danger.

FELLOWS' RECOMMENDATIONS

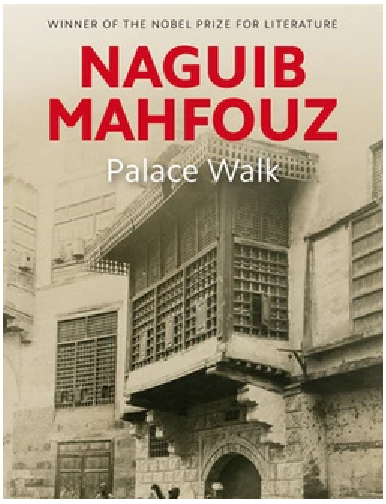
MOVIES FROM FELLOWS



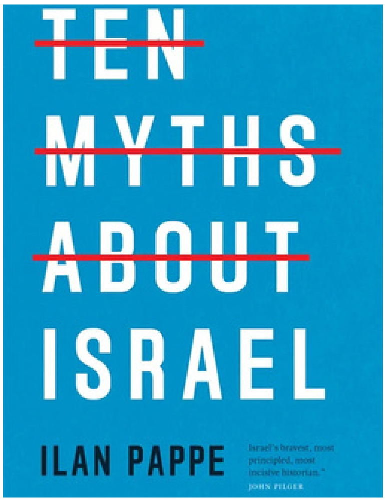
Tinker Tailor Soldier Spy (2011) follows retired British spy George Smiley as he investigates a Soviet mole hidden within MI6. Set during the Cold War, the film is a tense, atmospheric thriller about loyalty, betrayal, and espionage.

The Terminal (2004) tells the story of Viktor Navorski, who becomes stranded at JFK Airport when his home country undergoes a coup. Unable to enter the U.S. or return home, he builds a life inside the terminal, forming unexpected friendships and finding purpose.

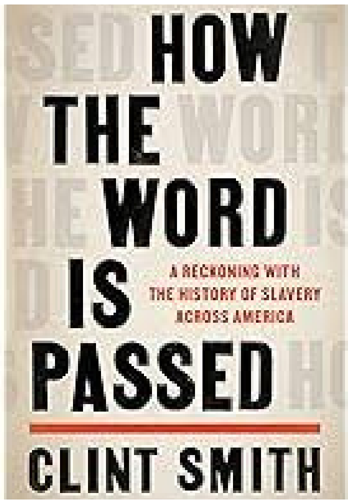
BOOKS FROM FELLOWS



Palace Walk by Naguib Mahfouz follows a strict patriarch and his family in 1910s Cairo, exploring tensions between tradition, change, and Egypt's political awakening.



Ten Myths About Israel by Ilan Pappe challenges dominant historical narratives and exposes myths used to justify Palestinian displacement and Israeli state policies.



How The Word Is Passed by Clint Smith examines how U.S. historical sites confront the legacy of slavery, revealing what America remembers—and what it overlooks.

June 2025

HAPPY BIRTHDAY TO OUR JUNE FELLOWS !

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Where the Trade Court's Tariff Decision Went Wrong - The Wall Street Journal

There's ample precedent for using presidential emergency powers to address trade imbalances.

June 1, 2025 by George Bogden, 2025 Gabr Fellow

President Donald Trump announces tariffs in the Rose Garden at the White House in Washington, April 2.

During a national crisis, an advocate of tariffs testified before Congress that "reciprocal trade agreements" push foreign nations to stop erecting "excessive economic barriers to trade."

Who said this? President Trump? Sen. Reed Smoot or Rep. Willis Hawley? It was President Franklin D. Roosevelt's secretary of state, Cordell Hull, explaining in 1940 how reciprocal tariffs could reverse unfair trade practices targeting the U.S.

Mr. Trump's policy of using reciprocal tariffs to advance U.S. interests isn't a new or radical idea, and it's a necessary one. The U.S. Court of International Trade was wrong to rule on Wednesday that the administration had exceeded its authority in imposing these tariffs.

The ruling overlooked history, statute, precedent and national interest. It was a misreading of the International Emergency Economic Powers Act, or IEEPA, and a misinterpretation of America's bipartisan tradition of using trade policy to defend national economic resilience.

On Thursday, the U.S. Court of Appeals for the Federal Circuit stayed the trade court's ruling while it considers an appeal. In a separate case, a district judge in Washington issued an injunction against the tariffs, although he stayed his own order. The issue requires resolution only the Supreme Court can deliver.

Americans should hope the justices side with Mr. Trump. In its May 28 decision, V.O.S. Selections v. U.S., the trade court held that IEEPA doesn't authorize the president to impose "unbounded" tariffs. The opinion misses the mark on legal and historical fronts. It substitutes policy skepticism for statutory interpretation, undermining legitimate executive authority during declared national emergencies.

The trade court's reading of IEEPA contradicts the statute's text and history. IEEPA's independent emergency authority allows the president to regulate, prevent or prohibit the importation of property in which foreign countries or nationals have an interest. The language mirrors that of the earlier Trading with the Enemy Act, which President Richard Nixon used to impose a universal 10% tariff in 1971. The courts upheld Nixon's use of that power in U.S. v. Yoshida International (1975), concluding that tariffs were a sensible approach to regulating imports during a declared emergency. Congress enacted IEEPA in 1977 with language directly drawn from the Trading with the Enemy Act.

The trade court's description of the tariffs as "unbounded" also contradicts Mr. Trump's painstakingly specific April 2 executive order, which imposes precise duties, product exemptions and country-specific rates. I should know: I helped coordinate their implementation.

Further, the court errs in implicitly inviting itself to review the sufficiency of the president's emergency declaration. IEEPA requires only that the president declare a national emergency "to deal with an unusual and extraordinary threat" arising outside the U.S., which is exactly what the executive order does.

Trade deficits can qualify as emergencies. In the Trade Act of 1974, Congress recognized that "large and serious" balance-of-payments deficits could justify swift presidential action, including tariffs and quotas. This act's unique procedures didn't preclude similar IEEPA authorities addressing identical threats.

Second-guessing presidential responses to emergencies defies precedent. In Dames & Moore v. Regan (1981), the Supreme Court acknowledged the validity of President Jimmy Carter's hostage crisis response, intact to this day, which froze Iranian property in the U.S. Courts have long held that the political branches—not judges—determine how to deal with foreign economic threats that rise to emergency levels.

Further, in Field v. Clark (1892), the justices held that "it is often desirable, if not essential . . . to invest the President with large discretion in matters arising out of the execution of statutes relating to trade and commerce with other nations."

While IEEPA gives the president significant latitude, Congress can terminate a national emergency by joint resolution. That Congress hasn't thwarted Mr. Trump's tariffs counsels restraint in questioning his decision.

The trade court evidently yearns to restore misguided economic orthodoxy. But frictionless global trade remains a mirage. Even John Maynard Keynes, hardly an economic nationalist, cautioned against the utopian allure of borderless commerce: "Let goods be homespun whenever it is reasonably and conveniently possible, and, above all, let finance be primarily national."

The pursuit of a perfectly undistorted global market ignores American history and legal tradition. Hull's reciprocal-tariff program of the 1930s—the foundation of U.S. multilateral trade—was premised on the imposition of duties on imports from countries that refused to lower theirs. Hull understood that economic resets require leverage.

The test of judicial reasoning is whether it honors the text, structure and history of the law it interprets. The Court of International Trade fell short of that test.

Mr. Bogden is a 2025 Gabr Fellow and Fellow at the Steamboat Institute and a former clerk for the U.S. Court of International Trade.

Read article here.

How Stablecoins Are Entering The Financial Mainstream
Financial Times 12 June 2025

By: Phillip Stafford

For Nkiru Uwaje, co-founder and chief operating officer of trade payments group Mansa, stablecoins are an integral part of her daily corporate life. The tokens, a form of cryptocurrency that acts like cash, account for 90 per cent of business activities at the group, which helps small businesses in Africa, south-east Asia and South America. Payments to customers and her young team are made using tether, the world's largest stablecoin, and Mansa received its fundraising the same way.

Uwaje, a former executive at bank messaging group Swift, says stablecoins are far superior to the network of correspondent banks that handle most of the world's cross-border transactions — which take longer, charge more and occasionally make mistakes.

But for Mansa and its customers they represent one thing above all: ready access to a proxy for US dollars. Stablecoins track the value of the currency one-for-one but the money is transferred across the internet, outside the banking system. That makes them highly attractive in countries afflicted by high inflation, weak or volatile currencies, unstable banks or capital controls. "People are trying to hedge risk . . . you know, you're trying to just not go down with the economy," says Uwaje. "The dollar is still the dollar, whether we like it or not. And it is still the most desired currency to hold because of how much trade is done in the US dollar."

Until recently, stablecoins' ease of use and anonymity made them a de facto currency reserve for crypto traders and a conduit for crime including drug trafficking and money laundering.
But, helped by the return of President Donald Trump to the White House, stablecoins are becoming increasingly mainstream, a development that could have profound implications for the global financial system.

JD Vance, the vice-president, last month predicted digital money would be "a force multiplier of our economic might" that would benefit the dollar. Lawmakers in Washington are working across the aisle on proposals to oversee what is currently a little-regulated market.
Investment bank Standard Chartered has forecast there could be some $2tn of stablecoins in circula6on by the end of 2028, from around $250bn now. Others are even more bullish.

Payments giants Stripe and Visa are deepening their investments in the industry, Japan's Sony Bank is testing its own token for payments, and there is speculation that banks and big Silicon Valley technology companies will also join the fray.
Uber, the ride-hailing app, is considering using them to make cross-border payments and reduce currency costs.
Capturing the mood among investors, the market valuation of Circle, which runs the world's second largest stablecoin, nearly quadrupled in value in its first three days as a listed company in New York, to $25bn.

But stablecoins exist in a grey area, somewhere between a payments network, a bank deposit and a security. Issuers have liabilities like a bank, but don't make commercial loans. They are tradeable and invest in assets like money market funds, but US regulators have ruled that they are not securities if the coins can be fully redeemed on demand and do not pass the investment income to holders. A stablecoin is supposed to keep a fixed value against the asset to which it is pegged, but often deviates from it by more than a couple of per cent.

As their usage grows, this has raised fears that without considered regulation stablecoins could trigger a crisis in the future. "It feels like quite a moment in the development and history of stablecoins and banking," says William Emmons, a former economist at the St Louis Federal Reserve.

"I think it's guaranteeing a crisis at some point, just as money market funds have collapsed twice since 2008."
Stablecoins were created to boost trading in cryptocurrency markets, enabling buying and selling without the use of a bank. Some 80 per cent of all crypto transactions now involve them.

The market is dominated by Tether's eponymous coin and Circle's USDC token. However, their fiat currency pegs make them an anomaly in the crypto world, which puts its trust in decentralised computing power.

Private companies issue a token for every dollar received and promise to back them with assets held in reserve. Usually, these are short-term liquid assets like Treasury bills, money market funds or loans in overnight money markets.
The Bank for International Settlements (BIS) estimated stablecoin issuers purchased $40bn of US Treasury bills last year to back their tokens, a level similar to the largest US government money market funds and larger than most foreign purchases.

As they keep the interest from their investments, they have become highly profitable businesses. According to its unaudited results, Tether had yearly net profits of $13bn last year — with just 100 employees. That has led to a proliferation of new offerings, with president Trump and his sons backing a crypto company that also has its own stablecoin.

Issuers such as Tether provide attestations of their reserves to verify the assets are fully backed but few provide full audits, and they have faced accusations that they mint more tokens than the money they receive.
In 2021 Tether agreed to pay a $41mn penalty to New York state regulators to resolve claims it had falsely represented the asset backing of its coins to cover up losses at its sister exchange Bilinex. Tether neither admitted nor denied the regulator's findings.

Stablecoin issuers have been likened to the US "wildcat banks" of the 19th century, which took advantage of weak national banking regulation and the lack of a nationwide currency to issue promissory notes backed by very little collateral.
Many collapsed, leaving customers holding worthless paper. Despite such concerns and a US regulatory clampdown on the industry after the 2022 market crash, they have continued to grow rapidly.
Stripping out automated trading on crypto markets, transaction volumes in stablecoins climbed to $752bn last month compared with $409bn in the same period a year ago, according to data from Visa. The number of

wallets that regularly send and receive payments hit a record average of 46mn last month, up from 27mn in May last year.

Few see an immediate need for stablecoins in countries with relatively advanced banking and payments systems where credit and debit cards can be used to help pay for daily expenses.

“Most of the traction is focused on cross-border payments where the system is most broken,” says Michael Shaulov, chief executive of Fireblocks, an infrastructure provider for digital assets. “You’re shortening settlement from three days to 10 seconds. It’s going to go into every payment system.”

But large-scale use may take some time. Even though issuers are subject to anti-money laundering laws, stablecoins remain the principal crypto asset for illicit transactions. A 2024 UN report named the tether coin as the “preferred choice” for Asian crime syndicates. Blockchain analysis company Chainalysis estimated that criminal activity associated with cryptocurrencies hit $51bn last year, with stablecoins accounting for 63 per cent of that.

As payments are recorded on a publicly accessible digital ledger, they are to some extent traceable and law enforcement authorities have used blockchains to disrupt nefarious activities. Tether says it regularly freezes wallets linked with suspicious activity on behalf of authorities.

Fireblocks’ Shaulov says know-your-customer (KYC) and transaction checks are done by both banking customers and stablecoin operators, using third parties that hold the assets in their digital wallets. That makes it faster to check than with the existing banking system, which has also suffered high-profile incidents that exposed poor controls and criminal activity.

Nevertheless, some question how forcefully stablecoin platforms will scrutinise anomalies. “The federal enforcement agencies that once led the charge in curbing crypto-related fraud and abuse are now being restructured or defunded,” says Tonantzin Carmona, a fellow at Brookings Metro, a think-tank.
Yuval Rooz, chief executive of Digital Asset, a US blockchain technology group, says his company has seen “massive” interest from banking customers in a stablecoin that has better privacy protections that also hide commercially-sensitive information.

Most stablecoin issuers commingle assets together in a single account to obfuscate activity, but that creates a potential huge operational risk for banks if the issuer makes a mistake. “If you were to talk to some of these payments companies they would tell you they really don’t like that. Because at the end of the day the larger the mess, the more scary. So I think that is restricting activity,” he said.

Loopholes still exist. There are no criminal activity checks in decentralised finance, the loose network that does away with centralised intermediaries like banks or exchanges. If a party is paid in tether but wants to convert it to USDC, it is possible to swap assets on a decentralised exchange that carries out no screenings on the sender or receiver.
The crypto industry accepts it needs regulation to expand further. A stablecoin “has all the benefits of not having to move cash, coins or interact with the banking system for payments”, says Ben Santos-Stephens, chief executive of ClearToken, a UK start-up developing a digital asset clearing house. “Without regulation, it also has all the costs of no oversight, regulation or money laundering controls. The open question is whether tokenised money will still be more efficient, safer and quicker once regulated.”
Despite stablecoins’ risks and limitations, banks and regulators can feel them encroaching on their turf.

The US Treasury warned last month that around $6.6tn in deposits in US commercial banks could be “at risk” of migrating to stablecoins, potentially forcing banks to raise interest rates to retain deposits or increase their wholesale funding.
To assuage those concerns, politicians in Washington are setting out the first rules for the market. Although the Genius legislation is not finalised, a firm outline is taking shape.

Issuers with more than $50bn in outstanding stablecoins will have to publish regular independently verified reports on their reserves. Foreign issuers are likely to be subject to the same oversight as US ones. Stablecoins offering interest to holders are likely to be banned, amid concerns that money will flow out of banks and money market funds.

Technology companies face a higher bar to clear before they can launch their own stablecoins, and all issuers will have to comply with regulatory capital requirements that were toughened after the 2008 financial crisis. There will also be more stringent requirements on criminal activity checks in decentralised finance markets.

The current versions of legislation "would put Tether to a very high bar that we are very happy to meet", said Paolo Ardoino, its chief executive.
But critics argue there are omissions, like sufficient consumer protections and thorough KYC checks. "It's a light-touch regulatory framework," says Amanda Fisher, policy director at Better Markets, a US advocacy group.

Hilary Allen, professor at the American University Washington College of Law, says taxpayers are "absolutely implicitly on the hook" because the bill does not contemplate any kind of deposit insurance or special resolution mechanism.
Other than a bailout, "the only thing that can happen is you have people with their money locked up in bankruptcy proceedings for a very long time, potentially not getting [back] 100 cents on the dollar," she adds. "We're sleepwalking into disaster with the integration of crypto and traditional finance."
Yet the legislation firmly ties stablecoins to global finance and in particular, US Treasuries, the asset that sets the price of all US debt.
Issuers are likely to have a strict list of acceptable liquid assets in which they can hold their reserves, including money market funds, repurchase agreements and Treasuries with a maturity of 93 days or less.
Jeremy Allaire, chief executive of Circle, says this is a safer form of supervision than a bank that only holds a fraction of its deposits as cash reserves, and lends out the rest.

His own company hit a crisis in 2023 when Silicon Valley Bank collapsed. Circle had put $3.3bn of customer funds in SVB accounts and its USDC coin lost value when the news got out.
The market was only reassured when the Federal Reserve stepped in to guarantee all SVB customer deposits.

"I think the very narrow definition of high-quality liquid assets here is very significant. We think that's critical," Allaire adds. "If I'm a treasurer in a company or if I'm holding collateral in a financial transaction, I need to know that this is as good as cash. It's a foundational premise of a properly governed and run stablecoin."

But the requirement is also likely to be disruptive for the $29tn US Treasury market. Mark Cabana, head of US rates strategy at Bank of America, estimates that every dollar that flows from a bank deposit into a stablecoin creates around 90 cents of additional demand for Treasuries. The government would have to issue more short-term debt to meet demand, potentially increasing volatility as the differential between short and long-term rates widened.

Policymakers are also weighing the potential impact if a stablecoin issuer were hit with a sudden wave of redemptions, such as a panic that forces holders to dump liquid stablecoins because they can't sell other assets.

A paper from the BIS last month estimated that $3.5bn of outflows from stablecoins, over five days, could increase the yield on short-term US government debt by up to 0.08 percentage points over 10 days — comparable to a "small-scale" effort by a central bank to stimulate an economy, said authors Rashad Ahmed and Iñaki Aldasoro. A market 10 times larger "meaningfully influences" the transmission of Fed monetary policy, they added.

Another significant link lies in the plumbing that stablecoin issuers use to safeguard their reserves and pay back customers. Not only will other countries rely on US rules, those mechanisms could come under serious strain in a stressed market, says Emmons, the former St Louis Fed official.
A bank in Hong Kong may not have the same access to a Federal Reserve account as a US bank like JPMorgan, turning the "public good" US dollar into a vehicle for making other banking systems more fragile, he argues.

The currency swap agreements between the Fed and other central banks, developed after the 2008 financial crisis and extended during the pandemic, emerged "precisely because [the Fed] didn't trust the stability of the other financial systems", he adds.

"It is, though, very typical of the crypto worldview, represented by Vance, in that it's so naive to believe that you can get the expansion of the US financial system and dollar proliferation without also spreading the instability."

[Read article here.]

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Gustav Bauernfeind, A Street Scene, Damascus
Oil on panel

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