

## **DOING BUSINESS IN THE MIDDLE EAST**

### **Ведение бизнеса в странах Ближнего Востока**

Doing business in another country can be effective, successful and profitable, but it is crucial to know the specifics of doing business in that country. The Middle East is one of the most sought-after regions in the world in terms of business, as it has a thriving young population and growing consumer spending power.

In our work, we have looked at three countries that we consider to be some of the most engrossing when it comes to their business culture: The United Arab Emirates, Qatar and Saudi Arabia.

Analysing business situation in the above mentioned countries we consider the following issues: management style, taxation, business etiquette and openness to cooperation with foreigners.

1. Management style. Managers and leaders act and react in accordance with Islamic teachings. Most often, this means that subordinates will also act and react in a certain way, because they also profess the same faith. The prevailing management style in the UAE is consultative, in which employees are increasingly empowered, but with some autocratic aspects.

In most organizations in Saudi Arabia, there are rigid "top-down" structures, while decision-making powers usually belong to several senior managers.

Qatari society is hierarchical, businesses are structured. Authorities receive considerable deference in Qatar, and their decisions are rarely openly questioned. Generally, employees are not encouraged or empowered.

2. Taxation. The UAE does not levy income tax on individuals. Nevertheless, it levies corporate tax on oil companies and foreign banks. The corporate income tax rate in Saudi Arabia is 20 % of the net adjusted profits. Qatar has a flat rate of corporate income tax of 10 % on taxable profits.

3. Business etiquette. Business etiquette in the Arabian countries is all about respect. Qatar: Business meetings take place mainly in restaurants, and they can last from one to several hours. Saudi Arabia: Meetings are held in conference halls. They last quite a long time, from 3 to 6 hours. The UAE (including Dubai): The lobbies of large hotels are the preferred venue for business meetings in the UAE. On average, the meeting lasts 1–3 hours.

4. Openness to foreigners. Some Arab countries (for example, Saudi Arabia) have been closed from the eyes of outsiders until now. But the situation tends to change. More and

more countries become open for cooperation and are ready to invite foreigners to their country. The UAE: Foreign investors can carry out any activities in the UAE only after being registered and licensed by the relevant authorities in the UAE. Saudi Arabia: The Kingdom continues to open its doors to the global business world far beyond oil. Qatar adopted an 'open foreign policy', relying mostly on soft power tools such as the media, diplomacy, economy.

The Middle East is very attractive in terms of doing business. All countries are good for business in their own way, but the UAE looks more beneficial due to its advantageous taxation, favourable business start-up environment and an attractive management style.

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## **MAJOR TRENDS IN SMALL BUSINESS DURING PANDEMIC IN BELARUS**

### **Основные тренды малого бизнеса в период пандемии в Беларуси**

The role of small business in a market economy is significant. Small business is directly related to the GDP produced in the country. If the development of small business is stimulated, then a tendency to eliminate crisis phenomena in the economy, its formation at a higher level, as well as an increase in the share of small businesses in the state's GDP, begins to appear.

The purpose of this study is to describe the situation of small businesses in a pandemic and appropriate measures aimed at changing the situation.

According to statistics [1], in 2019, the number of people employed in small and medium-sized enterprises amounted to 18.3 million people, which indicates that this sector of the economy provides about 25.6 % of jobs.

Basically, the services, catering and trade sectors were in decline. It is noted that the tourism industry suffered the greatest losses, as the revenue of its enterprises collapsed by 70 %. In addition to the tourism sector, the restaurant industry, as well as the beauty and fashion industry, suffered greatly.

As stated, the share of small and medium-sized businesses in the GDP of the Republic of Belarus before the pandemic was approximately 22 %, but already in 2020 it dropped to 19.9 %.

This trend was not positive. Therefore, tax breaks have been adopted, because the state is interested in supporting small business.