

Chapter 1

The Political Economy of UAE Branding From Marketing to Economics and Power

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ABSTRACT

The branding policy of the UAE has been in a phase of constant transformation and evolution in terms of its constructive elements. The aim of this chapter is to assess the UAE's evolution from a state whose branding was based upon soft power elements, namely the use of traditional economic tools and global marketing, towards hard power elements, including strengthening its geopolitical and international economic relations perspective through strategic-oriented initiatives. Making full use of its Sovereign Fund's capability and opportunity to invest on strategic economic sectors of third countries (e.g., the USA and the EU member states) as well as enhancing the perception of UAE as a global tourism, logistics, and transportation centre, UAE tends to move beyond the traditional marketing tools initially employed.

1. INTRODUCTION

The aim of this article is to analyse the political economy of the United Arab Emirates' (UAE) branding. We will study different aspects of the developing role of UAE in the world economy, such as economics, and political and military power. Firstly, we analyse different aspects of the country's economy. We study the macroeconomic indicators of United Arab Emirates and the implications of the COVID-19 pandemic¹ (World Health Organization). Then, we study the two aspects of the Logistics Performance Index, the intentional and the domestic aspect, in order to understand the changes that have occurred in the last decade concerning the role of the country in world trade. In the same context, we examine the Liner shipping connectivity index, which highlights the important role of UAE as a destination for world

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trade. Moreover, at this section of our analysis, we study the impact of tourism on the economy of the country. Finally, in this section we discuss the increasing role of Sovereign Wealth Funds (SWFs) and their impact on UAE economic policy. In the next section we evaluate the political / military component of the UAE's branding enhancement, such as the country's active role in the Yemen war, the signing of the Peace Deal with the State of Israel, as well as a series of defence pacts, and its participation in international military missions and military alliances. Finally, we present the conclusions of our study.

2. AN EVALUATION OF UAE ECONOMY

In this section of our analysis, we are going to evaluate critical aspects of the economy of the UAE. Firstly, we will analyse the UAE's macroeconomic indicators from 2010 until 2020, in order to understand the macroeconomic path of the last decade after the manifestation of the world economic crisis of 2007-2009, as well as the implications of the COVID-19 pandemic. Then, we will analyse the Logistics Performance Index for the same period on the basis of the available data, in order to understand the role of UAE as a centre of world trade. In parallel, we will examine the impact of the tourism sector on the economy of the country. Finally, in this section we will study the role of SWFs as a tool for strengthening the economic prospects of the country.

In Table 1, we analyse the main macroeconomic indicators of the United Arab Emirates. GDP at current prices has been increasing almost for all the years under review, the only exception being 2020, when UAE is facing the negative impacts of the COVID-19 pandemic. As we can see, real GDP growth is positive from 2010 until 2019, following the UAE's negative growth of -5.2% in 2009 (IMF, 2021a). In 2020, the UAE faced negative growth rates for the first time since the 2009 and the world economic crisis of 2007-2009. The negative growth rate of 2020 is higher in comparison with the negative growth rate of 2009. Moreover the inflation rate is low for the entire period under review, the exception being 2015, when the inflation rate stood at 4.1%. One negative aspect of the inflation rate is the negative values for 2019 and 2020, which indicate that before the manifestation of the economic crisis as a result of COVID-19 pandemic, consumption was low.

According to trading economics, the unemployment rate is at low level in all the years under study and is facing a diminishing path. For 2020, there are not yet any available data regarding the implications of the COVID-19 pandemic. UAE has taken certain fiscal measures to confront the negative economic impacts of the COVID-19 pandemic. The IMF has developed the policy tracker, in order to study the policy responses to COVID-19. More specifically, the UAE has adopted the following fiscal measures:

The authorities have so far announced about AED 32 billion (\$ 8.7 billion or 2.8 percent of GDP) in various fiscal measures. These include: (i.) AED 16 billion (\$4.4 billion) approved by the federal government to support the private sector by reducing various government fees, labor and other charges, refunding 50% of bank and financial guarantees to some establishments, and accelerating existing infrastructure projects; (ii.) AED 1.5 billion (\$0.4 billion) in measures by the government of Dubai to reduce government fees, provide additional water and electricity subsidies, and simplify business procedures; and (iii.) AED 9 billion (\$2.5 billion) announced by the government of Abu Dhabi as part of the ongoing "Ghadan-21" fiscal stimulus program. (IMF, 2021b).

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As we can see from the above measures, the UAE is trying to contain the negative implications of the COVID-19 pandemic. These measures could not prevent the economic recession of 2020. The study of the country's current account balance reveals that it has a strong extrovert economy, with a current account surplus as a percentage of GDP for all years under study. The current account surplus underlines the competitiveness of the country's economy, with extremely positive surpluses from 2011 until 2014. UAE still has a current account surplus for 2020, and this fact underlines its capability to overcome the negative effects of the COVID-19 pandemic. Moreover, the fiscal picture of the country seems steady from 2010 until 2019. General government net lending/borrowing as a percentage of GDP was negative for the period 2015-2017 and positive for all the other years. The second period with negative general government net lending/borrowing values was the period 2019-2020. This deterioration is due to the fiscal measures taken by the country in order to deal with the implications of the COVID-19 pandemic. The next macroeconomic indicator under study is general government gross debt as a percentage of GDP. In the period 2010-2018, general government gross debt was around 20%. For the years 2019-2020 we can notice a rapid increase of general government gross debt as a percentage of GDP. The debt of the country remains low, but the country should restrict its growth. Finally, we have added the demographic index of the population of the country. As we can see, the population is rapidly growing, and this is going to affect the economy of the country. The explanation for this rapid growth is strongly correlated with the country's increasing importance in the world economy, and the growing presence of expatriates. Coming to H. Plecher, the tendency of population increase is going to continue in the years because of:

The United Arab Emirates (UAE) have undergone extreme demographic changes over the past decade. With the increasing developments, tourism and global recognition of cities in the UAE like Abu Dhabi and Dubai, it is to no surprise that the total population has grown by about 6 million people over the past decade. However, the majority of the total population of the UAE are expatriates. Any expatriate having lived in the UAE for a minimum of 20 years can apply for a citizenship, consequently, the growing total population is mainly due to the growing number of expatriates who become citizens and the high number of immigrants which gives the UAE the world's highest net migration rate. (Plecher, 2021).

The next index under review is the Logistics Performance Index. This index is going to reveal the country's trade networking and whether the country has strengthened its role in international trade. The index has been developed for the World Bank and comprises two dimensions, International LPI and domestic LPI (Roukanas, 2020). In this article, we are going to focus on both aspects of the Logistics Performance Index. International LPI focuses on six dimensions of logistics:

1. "The efficiency of customs and border management clearance ("Customs").
2. The quality of trade and transport infrastructure (Infrastructure").
3. The ease of arranging competitively priced shipments (Ease of arranging shipments").
4. The competence and quality of logistics services—trucking, forwarding, and customs brokerage ("Quality of logistics services").
5. The ability to track and trace consignments ("Tracking and tracing").
6. The frequency with which shipments reach consignees within scheduled or expected delivery times ("Timeliness")." (The World Bank, 2015a),

The Political Economy of UAE Branding From Marketing to Economics and Power***Table 1. Macroeconomic indicators of United Arab Emirates***

Years	Macroeconomic Indicators								
	GDP, current prices (Billions of U.S. dollars)	Real GDP growth (Annual % change)	GDP per capita, current prices (U.S. dollars per capita)	Inflation rate, average consumer prices (Annual % change)	Unemployment rate* (%)	Current account balance, % of GDP	General government net lending/borrowing (% of GDP)	General government gross debt (% of GDP)	Population (Millions of people)
2010	289.79	1.6	35.06	0.9	3.81	4.2	0.6	19.5	8.26
2011	350.67	6.9	41.19	0.9	3.54	12.4	5.3	21.5	8.51
2012	374.59	4.5	42.72	0.7	3.17	19.5	9.0	21.2	8.77
2013	390.11	5.1	43.2	1.1	2.82	18.8	8.4	16.0	9.03
2014	403.14	4.3	43.34	2.3	2.44	13.5	1.9	14.2	9.3
2015	358.14	5.1	37.38	4.1	2.1	4.9	-3.4	16.7	9.58
2016	357.05	3.1	36.23	1.6	1.64	3.7	-2.8	19.4	9.86
2017	385.61	2.4	38.03	2.0	2.46	7.1	-2.0	21.6	10.14
2018	422.22	1.2	40.48	3.1	2.57	9.6	1.9	20.9	10.43
2019	421.14	1.7	39.18	-1.9	2.64	8.4	-0.8	27.3	10.75
2020	353.9	-6.6	31.95	-1.5	-	3.6	-9.9	36.9	11.08

Source: (IMF, 2021a and *Trading Economics, 2020)

For the period under review, we have available data for 2010 until 2018. According to the available data, there has been an improvement for the country, as its overall score rose from 3.63 at 2010 and to 3.96 at 2018. We can also see the improvement of the country's position in the global rankings of the index. It was at the 24th position in 2010, and achieved its best ranking at 11th position in 2018. We can also observe that the country has been improving its performance in all the aspects of the International Logistics Performance Index during the period under review. The greatest improvements we can see concern the following dimensions: timeliness improved from 3.94 in 2010 to 4.38 in 2018, tracking & tracing from 3.58 in 2010 to 3.86 in 2018, and international shipments from 3.48 in 2010 to 3.85 in 2018.

Table 2. International Logistics Performance Index 2010-2018

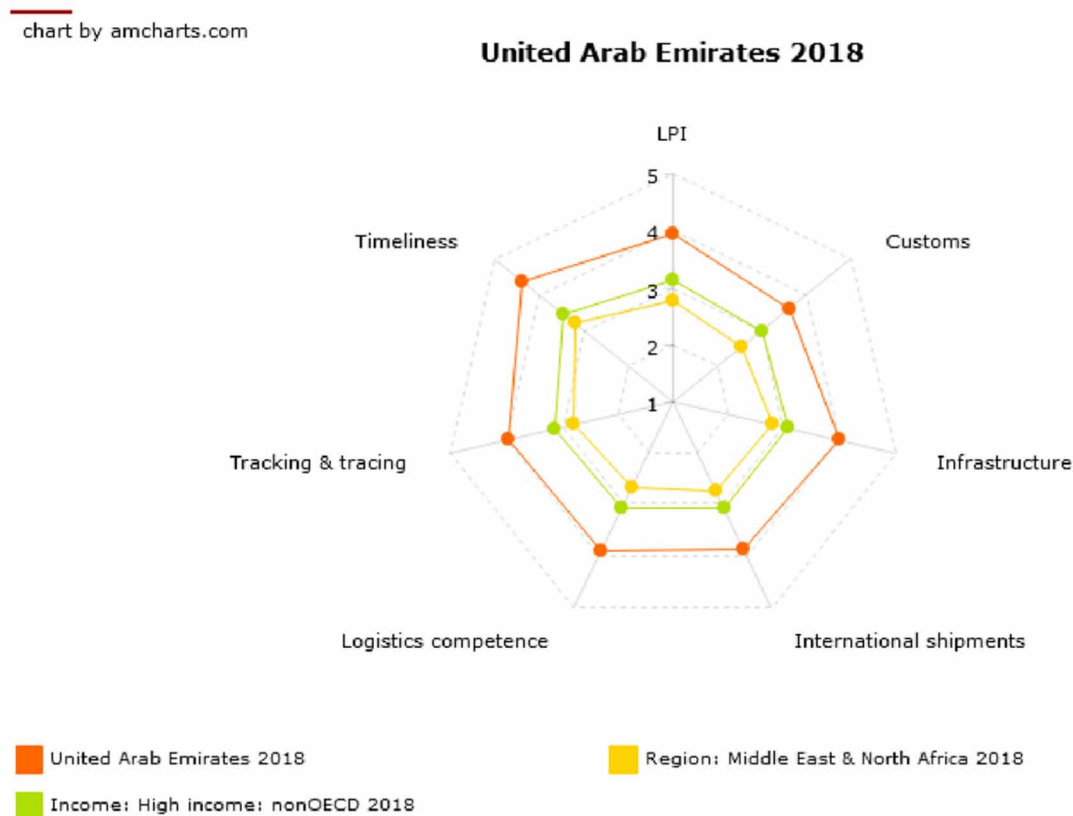
Years	Country Score							
	Overall	LPI Rank*	Infrastructure	Logistics Competence	Timeliness	Customs	International Shipments	Tracking & Tracing
2010	3.63	24	3.81	3.53	3.94	3.49	3.48	3.58
2012	3.78	17	3.84	3.74	4.10	3.61	3.59	3.81
2014	3.54	27	3.70	3.50	3.92	3.42	3.20	3.57
2016	3.94	13	4.07	3.82	4.13	3.84	3.89	3.91
2018	3.96	11	4.02	3.92	4.38	3.63	3.85	3.96

Source: (The World Bank, 2015b and *the World Bank, 2015c)

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Figure 1. Performance of UAE at International Logistics Performance Index

Source: (The World Bank, 2015b)



In order to understand the country's place in the index we compare the country with non-OECD high-income countries for 2018 and with the region of the country, which is the Middle East and North Africa. As we can see in Figure 1, UAE fares better in all the aspects of the index and in both groups. More specifically, the country fares much better compared to its region than to high-income non-OECD countries.

In Table 3 we study the second dimension of Logistics Performance Index, which is the Domestic LPI. According to the World Bank:

The Domestic LPI looks in detail at the logistics environments in 100 countries. For this measure, surveyed logistics professionals assess the logistics environments in their own countries. This domestic evaluation contains more detailed information on countries' logistics environments, core logistics processes and institutions, and time and distance data. This approach looks at the logistics constraints within countries, not just at the gateways, such as ports or borders. It uses four major determinants of overall logistics performance to measure performance: Infrastructure, Services, Border procedures and time, and Supply chain reliability. (The World Bank, 2015d)

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The study of Table 3 on the basis of the available data reveals the Logistics Performance Index for the country at the domestic level. As we can see, the Domestic Logistics Performance Index 2010-2018 shows no substantial improvement during the period under study, and it seems that in the case of the UAE the domestic logistics conditions were already developed in previous decade.

Table 3. Domestic Logistics Performance Index 2010-2018

Indicators	Years				
	2010	2012	2014	2016	2018
Export time and distance / Port or airport supply chain					
Distance (kilometres)	-	166km	51km	70km	89km
Lead time (days)	-	1 days	2 days	2 days	2 days
Cost	-	495US\$	559US\$	-	-
Export time and distance / Land supply chain					
Distance (kilometres)	-	427km	51km	307km	249km
Lead time (days)	2.46 days	3 days	2 days	3 days	2 days
Cost	-	626US\$	417US\$	-	-
Import time and distance / Port or airport supply chain					
Distance (kilometres)	-	103km	55km	107km	107km
Lead time (days)	2.03 days	2 days	2 days	2 days	2 days
Cost	-	618US\$	647US\$	-	-
Import time and distance / Land supply chain					
Distance (kilometres)	-	455km	82km	265km	119km
Lead time (days)	-	3 days	2 days	2 days	2 days
Cost	-	743US\$	590US\$	-	-
Shipments meeting quality criteria (%)	-	85.63%	87.83%	-	-
Number of agencies - exports	2.86	2	3	82.26%	86%
Number of agencies - imports	2.43	2	3	3	3
Number of documents - exports	-	2	2	3	2
Number of documents - imports	-	2	2	3	4
Clearance time without physical inspection (days)	0.74 days	1 days	1 days	3	3
Clearance time with physical inspection (days)	1.37 days	1 days	1 days	1 days	1 days
Physical inspection (%)	4.24%	4.28%	5.35%	1 days	1 days
Multiple inspection (%)	1.3%	1.95%	2.07%	13.98%	10%
Declarations submitted and processed electronically and on-line (%)	-	-	-	3.53%	3%
Importers use a licensed Customs Broker (%)	-	-	-	100%	100%
Able to choose the location of the final clearance (%)	-	-	-	86.67%	71%
Goods released pending customs clearance (%)	-	-	-	33.33%	N/A

Source: (The World Bank, 2015d)

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Table 4 presents UAE performance in regard to the Liner Shipping Connectivity index on an annual basis. According to the World Bank:

Table 4. Liner Shipping Connectivity index, (maximum value in 2004=100)

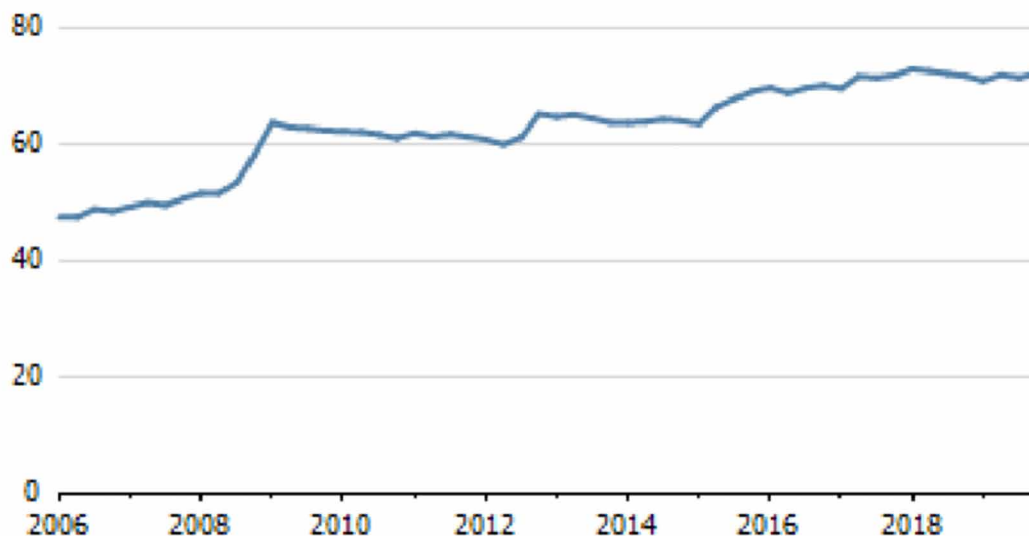
Years	Value
2010	62.65
2011	62.63
2012	61.51
2013	62.71
2014	60.99
2015	60.94
2016	65.23
2017	67.86
2018	72.87
2019	71.48
2020	-

Source: (The World Bank, 2021)

“the Liner Shipping Connectivity Index captures how well countries are connected to global shipping networks. It is computed by the United Nations Conference on Trade and Development (UNCTAD) based on five components of the maritime transport sector: number of ships, their container-carrying capacity, maximum vessel size, number of services, and number of companies that deploy container ships in a country’s ports. For each component a country’s value is divided by the maximum value of each component in 2004, the five components are averaged for each country, and the average is divided by the maximum average for 2004 and multiplied by 100. The index generates a value of 100 for the country with the highest average index in 2004.” (The World Bank, 2021)

As we can see from Table 4 and Figure 2, the UAE follows an upwards path as regards the Liner Shipping Connectivity index. This underlines that UAE plays a more important role in international trade, compared to the previous decade. The value of the index rose from 62.65 in 2010 to 71.48 in 2019. In Figure 3, we can also see the most important ports for 2019, according to UnctadStat.

Table 5 analyses the impact of the tourism sector on the UAE economy before the manifestation of the COVID-19 pandemic. As we can see, there was a rapid increase in international tourist arrivals since 2010, from 7.4 million to a high of 16.7 million in 2019. We can also see extremely positive year-on-year growth rates and, especially, the positive year-on-year change that occurred in 2014. The growth of tourism arrivals has also affected international tourism receipts, which rose from USD 8.6 billion in 2010 to USD 30.7 billion in 2019. The greatest change in real terms can be observed in 2019, when tourism receipts increased by 44% as compared with the previous year. Finally, international tourism exports also follow a positive path, increasing from USD 8.6 billion in 2010 to USD 38.4 billion in 2019.

The Political Economy of UAE Branding From Marketing to Economics and Power*Figure 2. Liner Shipping Connectivity index, (maximum 2006=100 for China)**Source: (UnctadStat, 2020)*

Tourism has been increasing its importance for the UAE economy with each passing year, as in 2010 tourism as percentage of exports stood at only 4%, rising to 11% in 2019.

Moreover, we are going to analyse another critical aspect of the UAE's economic performance. The important role of the sovereign wealth funds in the global economy underlines the importance of states as regards confronting challenges occurring in the global and political economic environment. More specifically, Spyros Roukanas focuses on the following argument concerning SWFs:

"Certain analysts argue that the state is playing an increasingly limited role in the global economy, whereas markets reign supreme. The economic nationalism approach maintains that the state still plays a dominant role in explaining the international economic and political system. That said, there is an industry that highlights the increasing importance of the state's role and strengthens the case for economic nationalism. Sovereign Wealth Funds represent an industry of increasing importance for the global economy, especially after the 2000s, as their funds under management stood at USD7.372 trillion in June 2016" (Roukanas, 2019, p. 320).

Before discussing SWFs in the UAE, it is appropriate to define the role of SWFs:

a pool of assets owned and managed directly or indirectly by governments to achieve national objectives. (PricewaterhouseCoopers, 2016, p. 5).

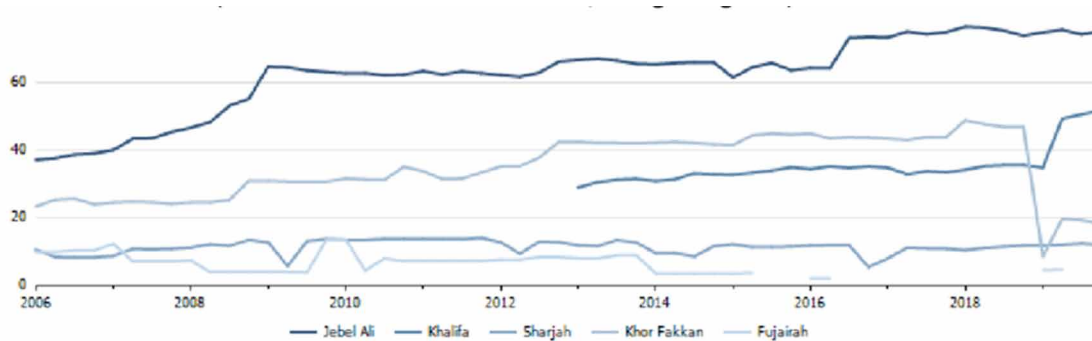
Table 6 analyses sovereign wealth funds in the UAE, according to Sovereign Wealth Fund Institute. As we can observe, UAE has eight SWFs at the moment, which were, nonetheless, established in different years or decades. The oldest SWF of the country was established in 1976 and it is the SWF with the largest assets, and the highest number of recorded transactions and subsidiaries. The 2000s was the decade of the rapid establishment of new SWFs, showing that the country adopted SWF investment as

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Figure 3. Port liner shipping connectivity index - Top 5 ports in 2019

(Maximum 2006=100 for China, Hong Kong SAR)

Source: (UnctadStat, 2020)



an aspect of its economic policy. The total amount of SWF assets under management, according to the latest available data, is USD 8.306 trillion, showing an upwards tendency (Sovereign Wealth Fund Institute, 2021b). The same upwards trend can be observed in the case of assets under management for UAE. More specifically, assets under management rose from USD 1.25 trillion in 2016 to USD 1.79 trillion in 2021 (Statista, 2020). Moreover, the Abu Dhabi Investment Authority is the third largest SWF, as it has assets under management of USD 1.045 trillion in January 2021 (Statista, 2021). As, we can observe from the above analysis, UAE is trying to enhance the role of SWFs as regards both their number and their assets. This is another strong argument that UAE is enhancing its economic performance and, as a result, the prospects of its economy.

Table 5. Tourism Sector Impact

Years	International Tourist Arrivals		International Tourism Receipts		International Tourism Exports	
	Million	Change	USD Billion	Change (% in real terms)	USD Billion	Tourism as % of Exports
2010	7.4	9	8.6	17	8.6	4
2011	8.1	9	9.2	7	9.2	3
2012	9.0	10	10.9	19	10.9	3
2013	10.0	11	12.4	13	12.4	3
2014	13.2	32	15.2	23	15.2	4
2015	14.2	8	17.5	15	21.0	6
2016	14.9	5	19.5	12	23.4	6
2017	15.8	6	21.0	8	25.3	7
2018	15.9	1	21.4	2	25.6	7
2019	16.7	5	30.7	44	38.4	11
2020	-	-	-	-	-	-

Source: (UNWTO, 2021)

The Political Economy of UAE Branding From Marketing to Economics and Power**Table 6. Sovereign Wealth Funds (SWF) of United Arab Emirates**

Sovereign Wealth Fund	Year of Establishment	Assets	Recorded Transactions	Subsidiaries
Abu Dhabi Investment Authority (ADIA)	1976	\$579,621,120,000	1,108	48
Abu Dhabi Investment Council PJSC (ADIC)	-	0	173	11
Emirates Investment Authority (EIA)	2008	\$44,515,182,460	4	-
International Petroleum Investment Company (IPIC)	-	0	47	11
Investment Corporation of Dubai (ICD)	2006	\$301,527,000,000	29	19
Mubadala Development Company PJSC	-	0	-	-
Mubadala Investment Company PJSC	2002	\$235,011,000,000	214	34
Sharjah Asset Management Holding	-	\$793,202,000	-	-

Source: (Sovereign Wealth Fund Institute, 2021a)

3. THE POLITICAL / MILITARY COMPONENT OF THE UAE'S BRANDING ENHANCEMENT: A TENDENCY OR A NEW REALITY?

This part of the article addresses a series of initiatives the UAE has undertaken in order to enhance its presence in the global foreign policy and military arena. These initiatives fall within the following categories:

1. UAE active military intervention, as in the case of the Yemen civil war.
2. Military presence for peacekeeping operations, such as the NATO missions in Kosovo and Afghanistan.
3. A series of peace accords including the ones with Israel, mutual defence pacts such as the one with Greece, and the "Friendship" initiative.

The above initiatives, which are discussed below, demonstrate a clear tendency for the UAE, compared to the traditional extroversion outlook of the UAE, which is based upon soft actions, the main essence of which has been financial activity. At this stage, we observe a parallel activity which enhances the UAE's image as a military force as well as a peace-driven country, actively engaged in geopolitical and geostrategic initiatives, and deploying, where and when necessary, its military forces.

Characteristically, the impressive reinforcement of the UAE's military forces over the past 25 years, which are the best in the region, has played a major role in its latest stance. According to Frank Slijper: "Roughly 25 per cent of all arms trade are destined for the Middle East, and the UAE has recently be-

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come the world's third largest importer of arms. Indeed, it is the fifth largest arms importer of the last 20 years" (Slijper, 2017, p.4).

UAE is now one of the main importers of major arms for the period 2015-2019 as shown in Table 7:

Table 7. Main importers of major arms 2015-2019

Countries	Global share (%)
Saudi Arabia	12
India	9.2
Egypt	5.8
Australia	4.9
China	4.3
Algeria	4.2
South Korea	3.4
UAE	3.4
Iraq	3.4
Qatar	3.4

Source: (SIPRI Yearbook, 2020, p. 13)

The cases assessed will clearly demonstrate that, according to Peter Salisbury the UAE: *"has emerged as an influential player in regional power politics over the past decade, in a shift from a previously conservative foreign policy focused on self-preservation"* (Salisbury, 2020, p. 2).

It also appears that this regional dimension is not restricted to the Gulf area, but has also been expanding to the Mediterranean Basin as well, indicating that the UAE is undertaking longer-term commitments in terms of its presence and intervention as a stakeholder in the shaping of world politics. The purpose of this article is not to bring forward other issues related to this, such as UAE capabilities, or overstretching of resources. Nevertheless, what is emerging is a new reality rather than a tendency. What may undermine and bring this reality into question will be researched further.

What follows is a tentative account of initiatives brought forward by national and international media as well as research papers for three major issues:

1. The Yemen Civil War intervention;
2. The UAE-Israel Peace Deal;
3. The "Philia" Forum and "Strategic Partnership" with Greece: Presence in the Mediterranean?
4. UAE activation in NATO missions

We argue that the mapping of these initiatives cannot be seen individually or in absolute terms, but rather they have to be contemplated under a comprehensive prism of a structured policy, constituting a shift in UAE foreign policy towards hard power choices, which finally has to be taken into consideration when assessing UAE branding at the international stage. Nonetheless, the coherence and sustainability of this policy have to be seen but, as already mentioned, this is out of the scope of this article.

The Political Economy of UAE Branding From Marketing to Economics and Power**1) The Yemen Civil War Intervention**

In the case of the Yemen Civil War, in 2015 the UAE launched a coalition of nine countries in response to calls for military support. The war dramatically worsened the humanitarian crisis in Yemen and it was only until recently that Saudi Arabia considered withdrawing its military presence. However, despite claims that it has ended its military involvement in the country, there are reports from those documenting the war that state otherwise, accusing the UAE of remaining heavily active in the region (Khalel, 2021).

According to Sheren Khalel:

The UAE's interests in Yemen are varied, but a key goal of the small Gulf nation - –which shares no border with Yemen– is maintaining influence over the Bab-el-Mandeb Strait. The waterway is essential for the passage of about nine percent of the world's seaborne-traded crude oil and refined petroleum. 'It's pretty clear to me as a Yemeni what the UAE's endgame is, and that is to make sure that they have a government in Yemen that is going to make it easy for their oil to travel through Bab-el-Mandeb,' Shireen al-Adeimi, a Yemen-born activist and professor at Michigan State University told MEE. (Khalel, 2021).

2) UAE-Israel Peace Deal

Among a series of peace accords, the UAE struck a deal with Israel, making it the third Arab country to formally recognise Israel (Wemer, 2020).

According to David A. Wemer: “Speaking at an Atlantic Council Front Page Event on August 20th with Kirsten Fontenrose, the director of the Atlantic Council’s Scowcroft Middle East Security Initiative, the UAE Foreign Minister Anwar Mohammed Gargash argued that the US-brokered deal between the UAE and Israel will help further efforts to achieve a solution to the Israeli-Palestinian question by removing the prospect of Israeli annexation of the West Bank, which is ‘the biggest threat to the two-state solution.’ ... ‘Outside of the annexation issue, closer ties with Israel have been a target for the UAE as it attempts to “rearm its global position”. If the UAE truly wants to be a global economic and political player, Gargash explained, “you can’t do this while maintaining a sort of exclusive view of the world.” (Wemer, 2020).

According to Jonathan H. Ferziger: “at the signing ceremony of Israel’s deals with the UAE and Bahrain, Netanyahu, Trump, and the foreign ministers signed three documents. One was a general declaration by all four proclaiming their commitment to regional peace. The other two were separate bilateral accords between Israel and both of the Gulf states outlining efforts for cementing ties in areas ranging from finance, trade and medical research, to civil aviation, sports, education and Muslim-Jewish interfaith activities” (Ferziger, 2020).

3) The “Philia” Forum and “Strategic Partnership” With Greece: Presence in the Mediterranean?

According to Angelos Athanasopoulos: “At the forum, which was held last week (February 2021) in Athens, Greek Foreign Minister Nikos Dendias hosted his counterparts from Saudi Arabia, Egypt, Cyprus, the UAE and Bahrain. French Foreign Minister Jean-Yves Le Drian participated by videoconference.” (Athanasopoulos, 2021)

The Philia Forum was formed as:

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a “partnership” that could act as a “bridge” between Europe and the Middle East, Alexandros Papaioannou, spokesman for the Greek Foreign Ministry, told Arab News. The seven countries issued a joint communique about their common objective to ensure regional peace, stability and prosperity. (Athanasopoulos, 2021)

4) UAE Activation in NATO Missions

In keeping with the UAE’s foreign policy agenda, according to NATO:

“during an official visit by the Secretary General Jens Stoltenberg to Abu Dhabi on 2 March 2016, NATO and the United Arab Emirates (UAE) expressed their determination to strengthen cooperation in addressing common security challenges. During talks with his counterparts, Mr. Stoltenberg strongly welcomed the United Arab Emirates’ support to NATO-led operations around the world. Meeting with Foreign Minister Sheikh Abdullah bin Zayed Al-Nahyan, he praised the Emirates’ contributions to NATO-led missions in Bosnia, Libya and Afghanistan. The Alliance’s Secretary General said that the UAE is one of NATO’s most active and valuable partners in the framework of the Istanbul Cooperation Initiative (ICI) and noted that the practical cooperation developed together helped project security and stability abroad. The Secretary General highlighted the UAE’s strong partnership with NATO and avenues for further cooperation. In 2012, the UAE became the first and only country in the Middle East or North Africa to open a mission to NATO.” (NATO, 2016)

Furthermore, according to Hakan Akbulut’s report for the Austrian Institute for International Affairs (2016), the UAE had also been participating in the Istanbul Cooperation Initiative (ICI) from the start.

According to Hakan Akbulut:

The UAE, too, has been participating in the ICI from the very beginning. The fact that the relationship is personally handled by the defence and foreign ministers of the country is illustrative of the significance the Initiative has in UAE eyes. In line with this, the UAE was the first country in the region to open an office with NATO. In practical terms, the UAE and NATO have engaged in consultations and joint exercises relating to maritime security, counter-piracy, and energy security. The cooperation was reinforced and expanded with the IPCP signed in 2016. The UAE has also attended NATO summits (2014, 2016) as an observer. UAE put forward programs in areas such as de-radicalization or intelligence sharing. The UAE also participated in and contributed to NATO operations in Bosnia, Libya and Afghanistan. For instance, UAE special forces operated in Afghanistan for 11 years. As European countries were reducing their engagement in Afghanistan, the UAE also deployed fighter aircraft to the country. Next to Australia, the UAE was the only non-NATO member-country to do so. In Bosnia, the UAE declared its support for air operations early on. Apache choppers were deployed to the region. UAE also provided peacekeepers. In Libya, the UAE was the only Arab country along with Qatar to participate in the military campaign.: (Akbulut, 2016, p. 29)

In 2017, Danish ambassador Merete Juhl said: “NATO and Europeans really need a reliable and capable partner in the Middle East, like the UAE, to better understand how to deal effectively with challenges internationally but also at home, with refugees and newcomers that represent a new security threat.” (Malek, 2017).

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Later, in July 2018, according to Jack Moore: “NATO officially initiated the UAE into the alliance’s Resolute Support Mission, as member states announced an extension of funding for the Afghan security forces. Abu Dhabi had long been involved with helping the international mission in Afghanistan, but the alliance solidified UAE’s role at the NATO summit in Brussels where allies have been tangling over defence spending. NATO confirmed that the UAE attended the high-level meeting on Afghanistan at the July 11-12 summit. UAE officials have not confirmed the strength of its role in the mission, nor the funding that it is providing. The UAE was the first Arab country to contribute troops to the NATO-led mission in Afghanistan. The Armed Forces have served alongside American Green Berets in the southern province of Helmand.” (Moore, 2018).

4. CONCLUSION

The analysis of the political economy of the UAE branding leads to certain useful conclusions. In the second part of this article, we evaluated the economy of UAE. The macroeconomic analysis points to a national economy that follows a steady macroeconomic path through the last decade, but it is also facing the negative implications of COVID-19 pandemic. Then, we studied the international and domestic dimensions of the Logistics Performance Index. UAE improved its performance in all aspects of the International Logistics Performance Index for the period 2010 until 2018 as it was ranked 24th in 2010 and was at the 11th place in 2018. During the same period UAE showed no strong improvement of the Domestic Logistics Performance Index 2010-2018. The above results highlight that the country has consolidated its position in international trade. The next index under study which is the Liner Shipping Connectivity index showed the improvement in the value of the index as it stood at 62.65 in 2010 whereas in 2019 the value of the index was 71.48, with the maximum value being registered in 2004=100. Furthermore, we studied the impact of the tourism sector on the UAE economy. As we observed, tourism is becoming year by year a more important sector for the economy of UAE, as in 2010 tourism as a percentage of exports stood at only 4%, while in 2019 this percentage was 11%. The final part of this section focused on the Sovereign Wealth Funds of the United Arab Emirates. It is obvious that UAE is trying to enhance the role of SWFs as regards both their number and their assets. The above analysis concerning the evaluation of the UAE economy provides us with certain arguments that the UAE has enhanced its economic performance in the last decade and as a result the prospects of its economy. The negative economic implications of the COVID-19 pandemic for the next years may possibly hamper the high economic performance of the country.

The study of the political / military component of the UAE branding enhancement underlines the country’s strong integration in military actions which represent a new situation, in terms of hard power. The above cases demonstrate a steady but increasing and intensifying enhancement of the UAE’s stance towards global affairs, encompassing active presence in shaping the agenda and proliferating its presence through military means and partnership initiatives, which clearly transcend the pure economic and financial element. UAE is not considered as a stakeholder in the broader regional arena through actual interventions or accords. UAE branding cannot be considered on the basis of traditional financial measurements only. Hard power preferences are now clearly expressed and demonstrated in the field.

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ENDNOTE

- ¹ *“COVID-19 is the disease caused by a new coronavirus called SARS-CoV-2. WHO first learned of this new virus on 31 December 2019, following a report of a cluster of cases of ‘viral pneumonia’ in Wuhan, People’s Republic of China.” (World Health Organization, 2020).*