

The role of the sports economy in the United Arab Emirates

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ABSTRACT

Sport plays a crucial role in the growth and appeal of any advanced destination. It is a driver of economic development and has a significant attraction factor on tourism, lifestyle, public health and ultimately, a city's international reputation. The objective of this paper is to shed light on the importance of sports industry which can be linked not only to the economy on the general level, but in particular to the investments and capital & expenditures. This paper will also explain why the United Arab Emirates represents today a regional and an international hub for sports industry that can also be invested in tourism of sports.

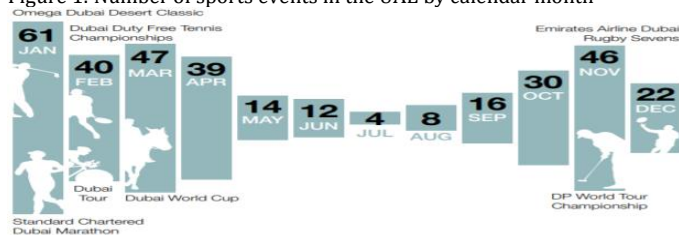
1. Introduction

Sports play a crucial role in the growth of any global city. It triggers an economic development and has a significant bearing on tourism and international reputation (Akan et al., 2008; Deloitte, 2015; Isik et al., 2017-2020; Dogru et al., 2019). Sports economics is recognized today as being one of the standards of an advanced country (SPEA, 2012). It is thought to be considered as a key success factor of advanced countries from an economy point of view. It becomes a norm to see different cities competing on hosting important sports competitions no matter what form they take.

2. Sports industry, another model of economic activities

Sports industry is one of the different forms of the economic activity that can show positive or negative results and is built on the idea of considering sports activities as industries in which investments can be considered along with capital, businessmen, cashflows, return on investments and sponsorships. The success of sports' industry is measured by several criteria including the job's creation and the income generated (Forum, 2016).

Figure 1: Number of sports events in the UAE by calendar month



Source: <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents>

3. The United Arab Emirates, a hub for worldwide sports activities

In the United Arab Emirates, Dubai has long recognized this reality and has placed long term strategies to invest in its resources and capabilities across the sport industry. Today, Dubai is home to world-class facilities and venues, hosting local, regional and international events that welcome both elite athletes and loyal supporters (Journal, 2017). The economic return of sport in Dubai had reached \$851 million in 2018 (Deloitte, 2015). This is an indication of the economic importance of sports activities, which have become one of the keys factors of success for the United Arab Emirates national income.

4. The vision of HH Sheikh Zayed

Besides horseracing, Sheikh Zayed's - may God have mercy on him - interest in the sport of hunting was evident when he wrote a book (Nahyan, 1976) that is a reference for researchers.

Today, falconry celebrations are taking place across the United Arab Emirates (Culture, 2020), with falconry performances playing a major role in the UAE National Day celebrations and other holidays and heritage events. The falconry championships, such as the Fazza championship for falconry (Center, 2020), are achieving record numbers after the number of falcons participating reached 2,464 falcons. This would attract more sports enthusiasts and more investment and financial returns to the local economy. On the other note, horseracing sports is one of Dubai's most iconic venues, the center piece being a 1.5 kilometer long, 60,000-capacity grandstand. Meydan is home to the world's richest horse race, the Dubai World Cup.

Table 1: Comparison with other leading global horseracing events

Event	Attendance	Races	Prize money
Dubai World Cup	80,000	^A 9	\$30m
Breeders Cup (various locations, USA)	59,000	^B 13	\$26m
Prix de l'Arc de Triomphe (Longchamp, France)	50,000	^C 17	\$10m
British Champions Day (Ascot, UK)	29,000	^D 6	\$6m
Melbourne Cup (Melbourne, Australia)	101,000	^E 10	\$6m

Source: <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents>

5. A Particular attention on Abu Dhabi

In addition, the Emirate of Abu Dhabi cannot be excluded from many huge sporting events such as the Formula 1 Etihad Airways Grand Prix, or the Abu Dhabi Golf Championship (Alliance, 2020) and other sporting activities that would attract increasing numbers of visitors and great economic benefits.

Figure: 2 Abu Dhabi Grand Prix



Source: <https://www.gulftoday.ae/sport/2020/04/27/f1-to-start-season-in-austria--abu-dhabi-gp-moved-to-december>

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6. Conclusion

Sport is emerging today as an important component of the country's social and economic development: At the individual level, active participation in sports improves community health and productivity, and reduces medical expenses (Peter Taylor, 2015). On the national level, sport plays a crucial role in the economy as the sports industry represents yearly direct profits as well as jobs creation (SPEA, 2012).

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