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From “Innovative Diplomacy” to “Innovation Diplomacy”: The Case of the United Arab Emirates

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Abstract

As one of the prominent actors in the Arabian Gulf, the United Arab Emirates (UAE) has moved away from an approximately decade-long military interventionism toward an innovation-based diplomatic offensive. It not only seeks to promote itself as a constructive and responsible actor in the regional and global arena but also to achieve sectorial diversity to prepare for the post-carbon era. Focusing on design and production based on cutting-edge technologies, the UAE offers generous incentives to attract foreign human capital and thus furnish the Emirati citizens with advanced knowledge and expertise. In this vein, Abu Dhabi promotes the country's historical and cultural landmarks along with its ambition and readiness for innovation via tech-based endeavors. This article explores how the UAE, in its pursuit of economic security, pursues a multidimensional “innovation diplomacy” supported by innovative approaches to classical diplomacy. Depicting how advanced technologies are the focus of its publicity and the development of foreign relations, the UAE demonstrates how “innovative diplomacy” serves a commercial “innovation diplomacy” for future prosperity at the hands of enlightened locals.

Keywords

Middle East, Arabian Gulf, United Arab Emirates, innovative diplomacy, innovation diplomacy

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Introduction

With the first oil discovery in the region in the 1950s, countries in the Arabian Gulf were categorized as “late-late” or even “late-late-late” industrializers. They were distinguished from the first industrializer, Great Britain, which developed through invention, and the second wave industrializers, Germany, Japan, the USSR and the U.S., which thrived via innovation. The Gulf countries kept pace through learning and imitation thanks to the oil revenues enabling them to import talent and technologies. They transformed from “a pearling/fishing/trading economy into a knowledge economy” in a very short time span.¹

For its part, the UAE ceased to be a British protectorate in December 1971 and was reborn as a monarchic federation of seven emirates with tribal origins and a rentier economy. It has rapidly grown into a very ambitious powerhouse in the broader Middle East. Although Abu Dhabi has long been engaged in humanitarian aid and peace missions, in the last decade, the UAE embraced a muscular foreign policy judging by its troop presence to suppress the Arab Spring in Bahrain, enforce the no-fly-zone in Libya, support government forces against the Houthis in Yemen and fight against ISIS.² Nevertheless, John Biden’s successful “America is Back” campaign left a huge imprint, as Abu Dhabi recalibrated its vision to launch a diplomatic offensive. Currently, its policy focus places more emphasis on issues like mediation in international affairs, sustainable energy and economic diversification.³

In this vein, the United Arab Emirates has been using diplomacy at an exponential rate, mainly for economic gains. Traditionally speaking, diplomacy is known as a tool at the hands of diplomatic corps to wield a country’s soft power, which obviates coercive means to attain national interests. Nevertheless, cutting-edge technologies have introduced novelties that shape who will conduct diplomacy, how to conduct diplomacy and for what kind of interests. Concomitantly, the UAE foreign policy establishment has adopted an integrated approach to digitize diplomatic services for nation-branding purposes in collaboration with various ministries, governmental agencies, businesses, higher education institutions and non-governmental organizations (NGOs) at the national and international level. These efforts to generate positive appeal on a global scale has much to do with the aim of sustaining prosperity

in a post-carbon era. “Innovating diplomatic practices” to attract talent and investment from around the world to boost “innovation-based prosperity” is at the heart of the UAE’s national agenda.

Related scholarly literature revolves around the UAE’s foreign policy practices as an ambitious small state,⁴ digitalization of the UAE’s diplomacy⁵ and assessments of UAE innovation policies on a sectoral basis.⁶ So far, the literature has mainly focused on the digitalization of diplomatic activities in Western settings. Specifically, there is a dearth of studies to explore “innovative diplomacy” in the Middle East, while much of the existing work on digitalization in this region concentrates

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on the impact of social media to challenge state authorities.⁷ Accordingly, this article’s contribution is to introduce the main actors, strategies and sample practices of innovation diplomacy in the UAE with an eye to evaluating its strengths and shortcomings.

“Innovative” vs. “Innovation” Diplomacy

Today, information and communication technologies (ICTs) are not only part of our daily lives—they have begun to shape diplomacy multifariously. This phenomenon is denoted in a myriad of ways, such as “e-diplomacy”, “cyber diplomacy”, “digital diplomacy”, “innovative diplomacy”, “Internet diplomacy”, “social media diplomacy”, and “Twiplomacy” among others. This article uses “innovative diplomacy” as an umbrella term to refer to diplomatic activities in the virtual sphere as a radical departure from classical diplomacy.

Throughout the past decade, diplomatic services were accelerated and facilitated by the launch of e-mail communications, social media outlets, mobile applications and the websites of ministries of foreign affairs and embassies,⁸ coupled with knowledge-management tools based on the digitization of key documents and the use of Artificial Intelligence (AI) and big data. Various European countries like Australia, France and Switzerland systematized these undertakings by adopting digital

foreign policy strategies.⁹ An exclusive focus on the UAE reveals how the country utilizes websites and social media for sharing diplomatic actions or for crisis communication, like the announcement of the Qatar boycott of 2017 or the Abraham Accords of 2020 over Twitter.¹⁰

The term “innovation diplomacy” emerged at the turn of the 21st century as a creative tool to encourage trade rather than simply boost relations with foreign audiences. It seeks to bring forth international partnerships between research and business and to attract investment and talent for economic gains. Indeed, as early as the late 19th century, the state was acknowledged as the best medium to facilitate commercial and financial activities, provide vital information about foreign markets and promote national products abroad.¹¹ The first “science attaché” tasked with following scientific developments was dispatched to the U.S. Embassy in Berlin in 1898. European countries would follow suit in the aftermath of WWII. Throughout the Cold War, the “Asian Tigers” owed much of their development to diplomatic actions to stimulate innovations. This change in focus from science to innovation is best exemplified by the transformation of the Dutch “technical-scientific attaché” into an “innovation attaché” in the new millennium with an eye “to support the competitiveness of the Netherlands, mainly through signaling and facilitating opportunities for R&D collaboration.”¹²

Innovation diplomacy blends together foreign policy and economic policy in an increasingly cultural setting. Thereby, according to concepts introduced at the 2010 joint conference of the American Association for the Advancement of Science and the Royal Society (UK), innovation diplomacy differs from “science in diplomacy” (influencing foreign policies with scientific advice), “diplomacy for science” (international science collaboration for the common good) and “science for diplomacy” (scientific collaboration to improve foreign relations). To the contrary, it incorporates exerting soft power by highlighting the attractiveness of a country as an innovation center and building bridges between international businesses, NGOs and universities to boost national competitiveness. It also embodies the creation or revision of legal and commercial frameworks to attract not only capital but human capital.¹³

Establishing a “knowledge economy” is a cherished goal of innovation diplomacy. Knowledge-based economies require a workforce with competencies much different from those required in a hydrocarbon-based economy, like “abstract reasoning, analysis, problem-solving, communication, decision-making, and collaboration.” Wealth in a knowledge economy mainly derives from “intellectual capabilities” rather than “physical inputs or natural resources.”¹⁴

In short, innovation diplomacy consists of governmental action to publicize its science and technology infrastructure to attract a skilled workforce, fuel the domestic economy and improve a country’s status in global markets. This requires coordination among the Ministry of Foreign Affairs, embassies, consulates and related governmental agencies to promote engagement between public and private actors for nation-branding as a hub of the knowledge economy.

The UAE’s Innovation Diplomacy: Rationale

As a classic rentier state, the UAE recognized in the 1970s the futility of public expenditure to generate long-term growth and economic competitiveness. To avoid fluctuations in oil markets and break dependency on natural resource exploitation, Abu Dhabi transformed its developmental strategies to focus on science and technology for a possible zero-carbon future.¹⁵ Featuring a small population and heavy reliance on foreign workers, Abu Dhabi pursued various educational and employment policies to furnish the Emiratis with entrepreneurial spirit as well as the knowledge and skills to take posts, particularly in the budding private sector. The “Emiratization” policy inaugurated in the 1990s has been a flagship endeavor in the name of positive discrimination toward UAE nationals. Its agenda includes incentivizing companies to hire Emiratis so that they would accumulate expertise to keep pace with global developments, make the most of technological and commercial opportunities and tackle contemporary challenges.¹⁶

The Emiratization policy evolved over time to concentrate on innovation and a knowledge economy, paving the way to the formulation of consecutive, interrelated strategies to upgrade human capital in the country. The domestic component of Emiratization involves the Fed-

eral Government’s investments in science, technology, Research and Development (R&D) and intellectual property protection, among others. The international dimension is related with “innovation diplomacy”, while publicization of these efforts in digital outlets like the Official Website of the UAE Government falls under “innovative diplomacy”.

For Abu Dhabi, innovation diplomacy is a means to attract “foreign investments and talents” across strategic sectors for economic growth and diversification at home. It seeks to brand the UAE “as an ideal destination for living and working” for nation-building purposes. In short, tapping into the capabilities of expats to improve domestic labor productivity lies at the heart of innovation diplomacy.¹⁷

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The UAE’s Innovation Diplomacy: Main Actors and Strategies

In 2010, the UAE launched Vision 2021 “to make the UAE one of the best countries in the world by the year 2021.” Its “United in Knowledge” pillar focuses on a competitive economy to be driven by innovative Emiratis. The Strategy maintains that the UAE will harness “the best talent from around the world” for specific industries “where Emiratis can learn most from global expertise” in return for “fulfilling employment and an attractive place to live.”¹⁸

A complementary official document is the UAE’s National Innovation Strategy launched in 2014 “with the aim of making the UAE one of the most innovative nations in the world within seven years.” It accords a significant role to schools and universities in “promoting innovation by collaborating with top global academic institutions to introduce new specialized educational materials.” The Strategy calls upon the “world’s leading innovative companies,” while underscoring the UAE’s image as a world center for testing innovations in pre-defined strategic fields, namely “renewable and clean energy, transportation, technology, education, health, water and space.”¹⁹

The year 2017 was totally remarkable in terms of the acceleration of efforts to meet the goals of the National Innovation Strategy. Reporting directly to the Cabinet, the Soft Power Council was set up to implement the UAE Soft Power Strategy. Introduced as “the largest framework for integrated diplomatic action,” this roadmap promoted the country as a global meeting point featuring a strong economy and robust infrastructure. The Strategy aims to polish the image of the UAE to materialize its “developmental, economic and cultural goals and ambitions.”²⁰ Abu Dhabi appointed the world’s first “Minister for Artificial Intelligence” to administer the UAE Strategy for Artificial Intelligence. The same year witnessed the promulgation of the Fourth Industrial Revolution (4IR) Strategy and the Future Foresight Platform.²¹ The latter is a “smart and interactive electronic platform” showcasing research as well as international and local scientific references that will help broaden the horizons of those interested in the future. It joins the Future Foresight Program

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in partnership with Oxford University “to qualify a generation of specialists in the fields of future foresight and drawing future scenarios to achieve the UAE’s Government vision.”²²

In 2018, the National Strategy for Advanced Innovation replaced the National Innovation Strategy

to underscore broad thinking, experimentation and risk-taking as per the goals of UAE Centennial 2071. In the same year, the Ministry of Foreign Affairs and International Cooperation (MoFAIC) and the Ministry of Culture and Knowledge Development collaborated to launch the “Cultural and Digital Diplomacy” initiative to promote the Emiratis’ exclusive stories of creativity and innovation, along with the country’s historical landmarks.²³

This and similar initiatives demonstrate that the UAE’s innovation policy is an integrated national undertaking to increase the country’s attractiveness in the eyes of foreign talent and investors. Emphasized across various digital platforms is the message that the UAE offers a desirous environment for investing, living and working, and that col-

laboration between academic and private UAE institutions and their foreign counterparts would stimulate innovation. The list is exhaustive—some examples are as follows: National Advanced Sciences Agenda 2031 (2018), UAE Policy for Advanced Industries (2019), Research and Development (R&D) Governance Policy and the foundation of the Emirates Research and Development Council (2021), and the UAE Strategy for Talent Attraction and Retention (2021).²⁴ The UAE underscored innovation as a cornerstone of its Stronger United commitments upon election to the UN Security Council as non-permanent member for the 2022–2023 term.²⁵

Prior to its renaming in February 2021 as “The Anwar Gargash Diplomatic Academy (AGDA)”, the Emirates Diplomatic Academy (EDA) of 2014 held innovation at the heart of its activities. The EDA/AGDA offers accredited scholarly programs and top-class executive training “to develop future diplomats, as well as the government and business leaders of tomorrow.” It is tasked with pioneering new approaches in international relations to fulfil the targets of Vision 2021. As 2015 was dubbed “The Year of Innovation in the UAE”, the Academy organized brainstorming workshops during the annual UAE Innovation Week under the title “Innovation in Diplomacy Labs”, whereby students exchanged ideas to reinforce the UAE’s image regionally and globally. In one of these sessions, participants deliberated on a “Virtual Reality Embassy” to improve the UAE’s diplomatic activities via secure online access.²⁶ The EDA’s publications on the nexus between innovation and diplomacy include *Transforming Diplomacy through Data-Driven Innovation* (2017) and *Diplomacy in the Age of Artificial Intelligence* (2020).

The UAE has Education & Technology Sciences Attaché Offices in Australia, Canada, Egypt, the UK and the U.S., each featuring Instagram accounts.²⁷ Among their chief goals are cooperation with educational and science and technology institutions and discovering best practices in the field of R&D for benchmarking purposes. To this end, the attachés welcome delegations from distinguished universities and visit such universities themselves to discuss potential areas of collaboration.²⁸ With knowledge at the heart of innovation policies, huge investments were made for renowned higher education institutions like New York University to set up branches in the UAE or to realize partnerships

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with them like the one between the Masdar Institute of Science and Technology and MIT. These efforts not only buttress the image of the country but also present a prime opportunity for local Emi-

rati students.²⁹

The Ministry of Industry & Advanced Technology’s “Make It in the Emirates” campaign fits very well into innovation diplomacy as an open invitation to entrepreneurs, industrialists and investors from all corners of the world. Accordingly, the Ministry praises the UAE for its ease of doing business (e.g., the Golden Visa, allowing foreigners to own 100% of their companies), abundance of energy and raw materials, as well as quality information and communications technology (ICT) and logistics infrastructure.³⁰

The UAE’s Innovation Diplomacy: Sample Practices

The COVID-19 pandemic offered the UAE an unexpected blessing to harness its “innovative diplomacy” capabilities in the name of “innovation diplomacy”. Accordingly, Abu Dhabi launched multilateral and bilateral initiatives to connect with state and non-state actors via digital communications. For example, the Ministry of Foreign Affairs and International Cooperation hosted several specialists and officials, including state and foreign ambassadors, in various teleseminars during the “Online Cultural Marathon Symposium” broadcast on the Ministry’s social media platforms. The event comprised weekly sessions on various topics ranging from “Space Diplomacy” to “the Role of Embassies in the Future”. State representatives abroad held a virtual discussion on “The History of the UAE” documentary series, while the Youth Council of the Ministry of Foreign Affairs and International Cooperation and the Diplomatic Youth Council of the Ministry of Foreign Affairs of the Russian Federation organized a workshop on June 8, 2020 via video-telecommunications about “The Future of Diplomacy Post-Covid-19”.³¹

In November 2021, the new AGDA hosted the 47th International Forum on Diplomatic Training (IFDT) to discuss timely issues like diplo-

macy in a post-pandemic era and digital diplomacy. Launched in 1972 by a consortium of academic and diplomatic training institutions, the forum’s membership has grown to include participants from 56 countries. Discussions have recently revolved around the “integration of technological skills into diplomatic training,” gender mainstreaming in diplomacy and the future of international governance.³² The AGDA is known for its “Women in Diplomacy Index”. First published in 2018, the Index’s 2022 edition maps the share of women ambassadors from the world’s 40 largest economies and the European Union (EU). Revealing that there are only 927 women out of a sample of 4,293 ambassadors, the Academy raises awareness on the gender gap in diplomatic representation on a global scale while boasting about its women graduates, who comprise 60% of the total number of participants.³³ Currently, AGDA actively partners with prestigious academic institutions and experts worldwide to train the next-gen diplomats to manage global challenges (Johns Hopkins University School of Advanced International Studies) or launch the Future Diplomats Peace Game (Harvard University’s Belfer Center for Science and International Affairs).³⁴

The Mohammed Bin Rashid Centre for Government Innovation along with the Global Innovation Council announced the Moonshot Pilot Grant with the aim of “testing breakthrough practices with the UAE government.” This grant was a follow-up of the Moonshot Apprenticeship Program incubated during the summer of 2021. The initiative convened select talent from around the world to brainstorm ideas about how the UAE should transform within 50 years. The apprentices interacted with a group of UAE government officials to experiment with ideas with the goal of addressing long-term challenges.³⁵ The Center also set the stage for the adoption of the “Agile Nations Charter”, electronically signed in the English language on November 25, 2020 by representatives from the Ministry of Cabinet Affairs of the UAE; the Danish Business Authority; the Department for Business, Energy and Industrial Strategy of the United Kingdom; the Ministry of Economy, Trade and Industry of Japan; the Ministry for Technological Innovation and Digitalisation of Italy; the Ministry of Trade and Industry of Singapore; and the Treasury Board of Canada Secretariat to foster dialogue on rulemaking to help businesses start and scale innovations across their markets with due protections for citizens and the environment.

Joint operations may range from exploring means to develop interoperable rules relating to innovations, to assisting innovative firms to navigate member countries' regulations and managing innovation-related, cross-border risks.³⁶

Bi- and trilateral deals also abound, concluded particularly with countries with a striking performance in technological advancements. Following the Abraham Accords, the UAE and Israel started discussions about creating an ecosystem “to develop the next 50 years of innovation in the Middle East.” This comprehensive plan involves close ties between businesses, start-ups and universities to realize the UAE’s vision “to make the desert green.”³⁷ Bilateral collaboration in innovation will use the UAE-IL Tech Zone, established in December 2020 as a platform to connect Emirati and Israeli experts to generate mutual gains particularly in agri-food tech, clean-tech, digital health, energy, fintech and sustainability.³⁸ To this end, the Abu Dhabi Investment Office (ADIO) inaugurated activities in Israel as its first international outpost. The event was broadcasted online on April 12, 2021 and publicized strategic opportunities for Israeli firms in the UAE.³⁹

As a follow-up, the UAE’s embassy in Israel set the stage for “a first-of-its-kind business conference on Israeli technology and innovation”, hosting about 200 entrepreneurs, businesspersons and government officials including the Emirati Minister of State for Entrepreneurship and Small & Medium Enterprises (SMEs) and the Minister of State for Foreign Trade. The event was facilitated by a Tel Aviv-based non-profit organization, Start-Up Nation Central, “that builds bridges to Israeli

innovation.”⁴⁰ Meanwhile, the UAE-IL Tech Zone gathered thousands of members as well as followers on social media, took delegations and start-ups to the UAE to showcase their advantages and form partnerships, and organized 12 virtual events around technology and innovation-related subjects.⁴¹

New ventures on innovation involve various Asian countries. Existing cooperation with China, India, Japan and South Korea in energy and construction has expanded to include (but is not limited to) the innovation priority fields of clean energy, health, space, transportation and water.

The UAE considers space “the next frontier for business innovation.” As Abu Dhabi seeks partners for commercialism in “space mining” or “space tourism”,⁴² a joint mission between Israel and the UAE might be in the offing, in order to realize in 2024 “the first lunar double landing in space exploration history.”⁴³

New ventures on innovation involve various Asian countries. Existing cooperation with China, India, Japan and South Korea in energy and construction has expanded to include (but is not limited to) the innovation priority fields of clean energy, health, space, transportation and water.⁴⁴ For example, the UAE-Israel dialogue encouraged Japan to partake in joint activities; although Tokyo had been the first capital in Asia to initiate relations with Tel Aviv, bilateral relations did not take off against the background of Arab sensitivities. Consequently, Japan, Israel and the UAE held the first Trilateral Innovation Forum in January 2022.⁴⁵

As part of the Ghadan 21 accelerator program to sustain an innovation ecosystem in the UAE, the Abu Dhabi Investment Office (ADIO) authorized the Korean cloud technology company Bespin Global to set up regional headquarters and two innovation centers in Abu Dhabi. The company will engage with local higher education institutions to train 5–10 Emirati interns per year and launch hackathons.⁴⁶ In January 2022, the two countries signed a Memorandum of Understanding (MoU) to broaden the horizon of bilateral cooperation to include the fields of biotechnology, life sciences and logistics. By this means, Abu Dhabi looks forward to establishing itself as a hub for the distribution of South Korean medical and pharmaceutical products and as an incubator for innovation in clinical research.⁴⁷ One related development was the establishment of the KU-KAIST Joint Research Center between Khalifa University and the Korean Advanced Institute of Science and Technology in April 2019 to pave the ground for research projects focusing on the technologies of the Fourth Industrial Revolution pertaining to healthcare and transportation.⁴⁸

UAE-China tech-oriented relations are flourishing as well. An exemplary case is how Yuan Longping, dubbed the “father of hybrid rice”, successfully harvested “desert sea rice” in Dubai. Cooperation areas include the medical field, e.g., the joint work between Chinese and Emirati

companies to conduct clinical trials and produce Sinopharm vaccines in the UAE to contribute to the UAE's "health diplomacy". Scientific research agreements have taken place between UAE University and the Chinese Academy of Sciences, while the Mohammed Bin Zayed University of Artificial Intelligence has hired Chinese professors for key teaching and managerial positions.⁴⁹ In June 2021, the UAE was welcomed at the Pujiang Innovation Forum in China as the country of honor, with the Minister of Industry and Advanced Technology Dr. Sultan Ahmed Al Jaber praising both countries in creating "the world's largest single-site solar power plant, Noor Abu Dhabi." In his words, "when countries collaborate to innovate, costs come down, economic opportunities go up and society benefits."⁵⁰

The UAE's pioneering outlook has sought to unite the Arab world under the banner of innovation. To this end, a delegation from the UAE Ministry of Education visited the Arab League Educational, Cultural and Scientific Organization (ALECSO) in February 2022. The participants agreed to use AI extensively in education and make joint efforts to materialize several projects like the "Arab University Ranking", "Arab Mathematics Olympiad" and the "ALECSO Olympiad for the Development of Arab Children's Scientific Skills".⁵¹

The cooperation agreement of July 2021 between Austria and the UAE in hydrogen technology was an attempt to reconcile developmen-

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tal and environmental interests through innovation diplomacy. The stated objective was to leverage the UAE's "ideal conditions for green hydrogen production" and Austria's time-honored "expe-

rience in gas transport and storage as well as the required infrastructure." The MoU was hailed by the UAE Minister of Industry and Advanced Technology as a demonstration of the country's "commitment to net-zero emissions by 2050" via clean energy solutions.⁵²

Evaluation and Conclusion

Despite concerns over confidentiality due to reliance of foreign expertise in innovation-led diplomatic endeavors⁵³ and over the predomi-

nance of Arabic and English in digital communications, which might hamper access to broader audiences,⁵⁴ the UAE is positioning itself as a forefront country to harvest the fruits of innovation diplomacy efforts. It ranks very high in various global indices. The UAE is listed as 1st regionally and 33rd globally in the Global Innovation Index 2021.⁵⁵ In the Global Knowledge Index 2021, the UAE appears as the 12th with a score of 67.3 out of 100.⁵⁶ According to the Global Soft Power Index of 2022, the UAE is number one in the region, ranking 10th globally. The Global Entrepreneurship Index 2022 ranks the UAE as the 1st on a global scale.⁵⁷ The country is home to 251 scaleups (tech companies established after 2000 that have generated a minimum of \$1M in revenue ever since), with Dubai as the preferred destination for about 40% of Middle East and North Africa (MENA) scaleups, plus many renowned tech companies like Careem, Kitopi and Noon.⁵⁸

However, a closer look at some variables might be revealing in terms of evaluating the impact of innovation diplomacy on the outcomes of the Emiratization policy. The IMD World Competitiveness Yearbook 2022 lists the UAE as “the most competitive economy in the MENA region” and the 12th in global ranking. Judging by its scores in various sub-indices like “adaptability of government policy”, “basic infrastructure”, “highest internet users” and “immigration law”, the UAE demonstrates a terrific performance among the 63 countries covered by the research. Nevertheless, it scores low as regards “strong R&D culture” (3.6%), “high educational level” (7.1%) and “skilled workforce” (25%). It ranks 45th and 53rd, respectively, in terms of “educational assessment PISA–Maths” and “R&D productivity by publication.”⁵⁹

Likewise, according to the Global Talent Competitiveness Index 2021, which ranks countries and major cities “on their ability to develop, attract and retain talent”, the UAE ranked 25th. Its main strength lies in its ability to “attract” talent (7th) mainly owing to its superior “external openness” (2nd). Its ability to “grow” talent (28th) is associated with weaknesses in “formal education” (74th). Yet the country’s capacity to “retain” talent is disappointing (55th), primarily related to “lifestyle” (78th) indicators.⁶⁰

Importing skilled talent in leaps and bounds and introducing novelties in the educational system do not resonate well with many conservative

Emiratis, and clash with the idea of “a cohesive society and preserved identity” underscored in many of the UAE’s strategy documents. The mismatch between “economic prosperity” and “cultural identity” is hard to overcome, since the UAE’s non-oil sector still requires low-skilled workers in great numbers, thus adding more fuel to the fire.⁶¹

Only a minority of locals attend the offshore campuses of prestigious universities, which are often the preference of resident migrants. Rather than making efforts to upgrade the country’s status, these rare Emiratis often prefer to seek careers abroad thanks to “international degrees” and the “globalized study experience” offered by these higher education institutions.⁶² Overall, businesses in the UAE operating in innovation-based sectors complain about the continuing lack of technical qualifications and essential skills like “critical thinking”, “team work” and “communication” in many Emiratis. Here, the social welfare system and generous benefits offered in the public sector pose major impediments. To complicate things further, the government’s decision to allow foreign investors 100% ownership of their ventures diminishes chances for many Emiratis to ‘learn by doing’ through partnerships. Indeed, it has been noted that private companies in the UAE “prefer hardworking workers from any nationality.”⁶³

These findings demonstrate that the UAE offers a very promising technical and legal infrastructure to enable innovation-led projects to entice foreign expertise. However, the spillover impact of this expertise on the UAE’s educational system and social relations has been minimal. The policy of exporting talent or ideas has not yet materialized into a robust educational renewal to prepare local students for future challenges or inspire an R&D culture and spirit within Emirati society. Retaining an already limited number of the brightest Emiratis is difficult, since many seek greener pastures abroad, while skilled expats find it hard to adjust to a different cultural setting regardless of a multitude of incentives to stay.

Success in the long term will require the harmonization of “innovation diplomacy” with domestic policies to address the sensitivities of locals and businesses. The UAE has unquestioningly made great strides and broadened its horizons by engaging in mutually beneficial technical partnerships enabled by innovation diplomacy. However, top-down

novelties introduced to uplift a country in a very short period of time may bring forth unintended, negative consequences. The UAE would make the most of its innovation diplomacy efforts if it embraces slow and steady structural change at home to scrutinize its welfare state benefits, overhaul its educational system and precipitate a social contract between locals and expats.

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