

## ECONOMIC SCIENCES

### POLITICAL AND ECONOMIC STRATEGY OF THE UAE

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The United Arab Emirates is a state that is a good example of the principle of "correct governance – correct development", because by combining its economic and political interests, the country has turned into a powerful state with an open economy, whose indicators can be compared with those of Denmark and the USA. The state has a reputation as the strongest actor on the regional and international scale, thanks to its high economic and political indicators. At the same time, the state has a powerful social sphere, as it actively invests in it. Medicine and education are also highly developed. A network of highways runs throughout the territory, as well as two seaports and one, but the largest airport in the world. After Great Britain's unsuccessful colonization of what was known as the Treaty of Oman, all the countries of the Middle East and the Persian Gulf experienced times of change and transformation in the economic, political and social spheres, alternately accompanied by moments of favorable opportunities and complete uncertainty. Yes, for Oman it became the difficult times of the uprising in Dhofar, Yemen, which felt poverty, was divided between powerful factions and experienced the consequences of a civil war, for Saudi Arabia it became the beginning of prosperity, but for Iran, on the contrary, it became a moment of greatness and powers under the Shah [1].

Therefore, the main goal of the foreign policy of the UAE at the end of 1971 was to solve security problems and the question of the existence of the country, which depends on skillful diplomatic management. Since Oman and Iran denied the supremacy of the Emirates over separate territories, Iraq cast doubt on the legality of the existence of such a state, and Saudi Arabia did not recognize the new state at all. So, the main political opponents were Iran, Iraq, Saudi Arabia and Kuwait. However, it should be noted that the foreign policy orientation of all Persian Gulf countries is divided into two directions: pro-Western and anti-Western [1].

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The United Arab Emirates chose a pro-Western policy vector. Thus, the main feature of the state's foreign policy is the use of peaceful instruments to resolve conflicts, unimpeded supply of extracted oil, maintaining a safe situation in the regions of the Arabian Peninsula and the Persian Gulf, as well as in the fight against terrorism after September 11, 2001. Therefore, the goal in foreign policy is to prevent the negative consequences of regional crises. In this, the country relies on support from the United States, which distinguishes it too much from other countries of the Arabian Peninsula, and especially from Saudi Arabia. Since the foreign policy goal of Saudi Arabia is to create stability in the Middle Eastern Sea, which can also be interpreted as the development of the territories of the Middle East [1].

Thus, the foreign policy of the Emirates includes the three directions of the Persian Gulf countries, the Arab-Muslim world and the international community. The most priority direction is cooperation with the countries of the Persian Gulf, which can be logically explained by the close geographical location, similar economic systems and state institutions, as well as history. Thus, the UAE is trying to create a unity of the goals of the Persian Gulf states to resolve conflicts, crisis situations and ensure security. Thus, the Cooperation Council of the Arab countries of the Persian Gulf was created, the members of which are the UAE, Kuwait, Oman, Qatar, Saudi Arabia, and Bahrain. Therefore, the goal of such cooperation is to improve political, economic, social and military relations. The Arab-Muslim orientation is divided into two: Arab countries and Muslim countries [2].

Thus, the UAE participates in the following organizations: the Organization of Arab Oil Exporting Countries, the League of Arab States, the Organization of Arab Four Countries, the Committee on Arab Peace Initiative. The most difficult foreign policy situation was with Iran and its claims to three islands in the Persian Gulf, namely: the Great Tomb and the Little Tomb and the Abu Musa islands. That will always be the cause of instability in the region. The third vector is aimed at relations with the international community, where the main goal of the UAE is to ensure world peace. Thus, the state itself strives for justice and transparency in foreign relations and calls on other actors of the international arena to do the same. Therefore, the political strategy is that the government cannot be a lever of foreign policy. The UAE supports world security in various ways, acting as a member of various organizations, and also adheres to the law of self-defense as a basic principle of international law. The most active relationships in different regions are:

- Asia – China, India, Indonesia, Philippines, Malaysia, Afghanistan, Pakistan, Bangladesh, Turkey, Vietnam;
- Africa – Egypt, Algeria, Somalia, Kenya, Tanzania;

– Europe – Germany, Great Britain, France, Denmark, Cyprus, Greece, Serbia, Vatican, Russia;

– North America – USA, Mexico, Canada [2].

As for the economic strategy, there is a certain stereotype of the country's oil export orientation. Yes, the UAE really is ranks sixth in the world in terms of oil reserves and seventh in terms of oil production. However, the UAE is the smallest exporter of such natural resources among other Gulf countries. The country has a well-thought-out strategy of economic diversification. Thus, the lion's share of GDP is formed due to income from tourism, the financial sector and industry, and only 29% is the share of income from oil activities. It is the emirate of Dubai that brings a considerable share of revenues to the state budget, although its oil reserves are no more than 5% of the deposits of the emirate of Abu Dhabi. So Dubai had to take care of diversification more actively than others. Thus, the Burj Khalifa was built – a skyscraper with a height of 828 meters, which brings a certain income not only from rent, but is also a great lure for foreign tourists. Or the most famous Burj-el-Arab hotel, where the lowest price for a room is 1,000 dollars. Such luxury is needed in order to attract new tourists bringing monetary resources to the former freelance city in the middle of the desert. Yes, hotels are only part of the infrastructure. The artificial archipelago The World, created from islands that repeat the shapes of the continents, also attracts the attention of tourists. At the same time, one of the strategies in economic development was the construction of a transport hub, which is currently one of the largest airports in the world, with a capacity of up to 70 million passengers per year. Or the world's largest indoor market Ferrari World, which was created on the artificial Yas-Island archipelago, and where visitors have more than 20 attractions. The UAE was able to create a real paradise from the desert, yes, you can spend time in the Dubai amusement park and ski complex with an area of almost 22.5 thousand square meters [3].

Special attention should be paid to the activities of free economic zones, which improved the situation of the economy of the emirates, as they were able to replenish the budget. Lobbying of the country's interests played a significant role, since outside the Free economic zone UAE citizens owned 51% of shares in companies founded by foreigners, and there was also a certain emphasis on business regulation. It was the Free economic zone that helped create enterprises in the right regions, which led to an increase in jobs. However, in the UAE, there is a certain strategy regarding the replacement of foreign personnel with national specialists, this distinguishes the emirates from European countries, where immigrants have almost already invaded the national territory.

At the same time, the shortage of fresh water is a serious problem, which can be eliminated in several ways. So, there are about 100 seawater desalination

plants operating in the country, which produce about 30% of the fresh water used, the rest of the fresh water is provided by underground reserves and secondary processing. A water reservoir was created under the Liwa desert at a depth of 80 meters, the construction of which cost 435 million dollars. In addition, fresh water is also important for planting plants that are grown literally in desert conditions. Thus, 20% of the area of each infrastructure project should be covered by green spaces [4].

Thus, it can be concluded that the UAE was able to successfully combine its economic and political interests into one strategy, as indicated by international welfare statistics. Yes, the zone of prosperous states occupies the 30th place. It is worth emphasizing that neighboring countries Kuwait, Saudi Arabia, and Yemen occupy 36th, 42nd, and 135th positions, while relatively prosperous Israel took 38th position. Looking at the economic ranking, the Emirates ranks 21st in the world and is ahead of highly developed countries such as France, Japan, Spain, Italy, Hong Kong and Austria. The country has a pro-Western course, as the local elite has a high-quality Western education, and in matters of security, the UAE relies on the support of the United States. The emirates differ from Europe in that they are more oriented towards their population, providing them, first of all, with jobs and high salaries.

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