

Comparison between united arab emirates vs other countries in the middle east.pol...

[Science](#), [Social Science](#)



College: Political and Economic Structures: United Arab Emirates versus Saudi Arabia Introduction Countries within the Middle East have experienced immense transformation since the discovery of oil reserves in the early 20th century. The progressive discovery of oil reserves, coupled with their active exploitation has considerably changed respective nations' economic, social as well as political spheres. Key among these significantly transformed countries is Saudi Arabia and the United Arab Emirates. Although these two economic powerhouses discovered oil at different times, they are currently recognized as some of the world's largest economies. This paper seeks to compare the UAE and Saudi Arabia, in terms of political and economic issues. It is as a result of diversification and political inclusivity that the UAE has grown at a faster pace compared to Saudi Arabia, which discovered oil close to two decades earlier.

Background

United Arab Emirates (UAE)

Founded on 2nd December 1971, the UAE is a federation of seven emirates that gained independence from the UK and were effectively granted the liberty to govern their security and foreign issues. Prior to discovery of oil, the UAE economy largely depended on fishery and pearl industries.

Nonetheless, the UAE started depending heavily on oil for more than thirty years, thus suffering a significant setback following the global financial crisis of 2008 to 2009 (Aartun n. pg). In the recovery period, however, the UAE has shifted towards economic diversification and creation of opportunities for its nationals through education, improved trade, manufacturing, tourism, and logistics.

The Kingdom of Saudi Arabia

Saudi Arabia is a supreme monarchy, which has established its niche in the global economy through its immense oil revenue. Oil is the dominant economy driver in the Kingdom of Saudi Arabia. This implies that the country's socio-political welfare is hinged on oil prices' evolution.

Comparative Analysis

One of the key differences between the UAE and Saudi Arabia is that the former is a federation, whereas the latter is a monarchy. This means that in the UAE, there is a president, while specific powers are allotted to the federal government and others to individual emirates (Henderson n. pg). In Saudi Arabia, however, power is reserved for the Royal family, which also gets the most important societal positions, which may occasionally heighten tension among the underprivileged members of society who may feel alienated (Gause n. pg). Further, while the UAE is characterized by a legislative structure combining Islamic and civil law, Saudi Arabia primarily adopts Islam law, which is not adequately inclusive.

In regard to the economic structure, the UAE constitutes an open economy with diverse economic sectors, especially in terms of infrastructural development aimed at enhancing tourism, trade, and overall logistics (Kostiner 24-32). This has significantly lowered the country's dependence on oil to about 25% (Malachova n. pg). In contrast, Saudi Arabia's economy primarily depends on oil, given the fact that the nation owns approximately 16% of all oil reserves in the world (Sarbu 18-22). The growth potential of the UAE is further bolstered by the fact that country is politically stable due to equitable power distribution and there has not been any significant change

in political institutions since the federation's establishment. In addition, the UAE's limited political regulations encourage trade and private investment (Schiliro 10-15). In contrast, Saudi Arabia experiences occasional political tensions because of royalty's power dominance, as well as, political tension in neighboring countries. The Saudi government also has relatively high control over privatization measures and the general economy, thus limiting diversification (Stenslie n. pg).

Conclusion

In summation, both the UAE and Saudi Arabia are potent socio-political and economic forces in the Middle East. The UAE has nonetheless, managed to promote rapid economic development through an equitable, inclusive and flexible political structure, as well as, economic diversification. This is unlike Saudi Arabia, which although is economically stable and influential, is impeded from attaining its potential due to power centralization and failure to diversify into potent economic spheres.

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