The role of international comparison reports (e.g. WEF Global Competitiveness Report) in driving government policy

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The United Arab Emirates (UAE)

Overview of the country

- **Name:** United Arab Emirates (UAE)
- **Gvt type:** Federation of 7 emirates
- **Population:** 9.3 million
- **GDP:** $416 billion
- **Per capita GDP:** $44,771
- **Capital:** Abu Dhabi
- **Largest city:** Dubai (3.2m)
- **Life expectancy:** 76.8
- **Land area:** 83,600 km²
- **Founding date:** 02 Dec 1971
- **Legal system:** Mixed system of Islamic and civil laws
- **Expat population:** 88%
- **Literacy rate:** 95%
- **Oil share of GDP:** 32%

**Exports:** $367 billion (ex RE: $161): Japan (15.4%), India (13.4%), Iran (10.7%), Thailand (5.5%), Singapore (5.5%)

**Imports:** $250 billion (ex RI: $174): India (17.0%), China (13.7%), USA (10.5%), Germany (5.1%), Japan (4.2%)

Sources: CIA Factbook, IMF WEO, National Bureau of Statistics (NBS), Observatory of Economic Complexity (MIT), UN, WB Database, WHO
The structure of the UAE federation

Power resides with the rulers of the seven emirates

Sources: CIA Factbook, Federal National Council, UAE Cabinet

**Executive branch**
- **Head of state:** H.H. President Sheikh Khalifa bin Zayed Al-Nahyan (ruler of Abu Dhabi)
- **Head of government:** H.H. Prime Minister and Vice President Sheikh Mohammed bin Rashid Al-Maktoum (ruler of Dubai)
- **Cabinet:** Council of Ministers (appointed by the president) – currently with 25 members (5 female; 20 male)

**UAE government**

1. **Federal Supreme Council**
2. **President and vice-president**
3. **Cabinet**
4. **Federal National Council**
5. **Federal Judicial Authority**

**Legislative branch**
- **Federal National Council (FNC):** Unicameral body with 40 representatives (20 appointed by the rulers of the 7 emirates) – currently with 9 female members
  - **Appointed:** 8 female; 12 male
  - **Elected (advisory):** 1 female; 19 male
- **Seat distribution:**
  - Abu Dhabi (8), Dubai (8), Sharjah (6), RAK (6), Ajman (4), Umm Al Quwain (4), Fujairah (4)

**Judicial branch**
- **Highest court:** Federal Supreme Court (court president + 4 judges) – Dubai and RAK courts not subject to the federal Supreme Court
- **Lower courts:** Federal Court of Cassation; federal level courts of first instance and appeals courts; emirate-level court systems (outside of federal mandate)
The Cabinet and the Prime Minister’s Office
The executive branch of the government

■ The Cabinet is the executive branch of the government and presided by the Prime Minister (H.E. Sheikh Mohammed bin Rashid Al Maktoum*)
  – Manages internal and foreign affairs of the federation
  – Ministers are appointed by the president
  – Ministries cover the areas of: Defence; Interior; Presidential Affairs; Finance; Foreign Affairs; Higher Education & Scientific Research; Public Works; Foreign Trade; Cabinet Affairs; Energy; Economy; Social Affairs; Education; Culture, Youth & Community Development; Health; Labour; Justice; Environment & Water; and other sundry portfolios

■ The Prime Minister’s Office (PMO) is an instrument for promoting excellence in the government and aligning government projects with national strategic development goals
  – Supports the Prime Minister, Cabinet and the Minister of Cabinet Affairs in their decision making
  – Improves the efficiency and effectiveness of government through policies and initiatives
Vision 2021 and the National Agenda
Strategic policy goals of the nation for its golden jubilee

- **United in Responsibility**: Cohesive society and preserved identity
- **United in Destiny**: Safe and fair judiciary
- **United in Knowledge**: Competitive knowledge economy
- **United in Prosperity**:
  - First-rate education system
  - World-class healthcare
  - Sustainable environment and infrastructure

### INDICATOR (SELECT LIST) | REPORT(S) | 2021 TARGET
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Happiness Index | EI-WHR | Top 5
Human Development Index | UN-HDR | Top 10
GNI per capita | UN-HDR | Top 10
Net inflow of FDI (% of GDP) | Various | 5%
Global Competitiveness Index | WEF-GCR | Top 10
Ease of Doing Business Index | WB-DBR | Number 1
Global Entrepreneurship Index | GEDI-GEI | Top 10
Global Innovation Index | INSEAD-GII | Top 10
R&D as percent of GDP | Various | 1.5 percent
Share of treated water | Yale-EPI | 75 percent
Clean energy contribution | INSEAD-GII | 24 percent
Network Readiness index | WEF-GITR | Top 20
Quality of air transport infrastructure | Various WEF | Number 1
Logistics Performance Index | WB-DBR | Top 10
Quality of overall infrastructure | Various WEF | Number 1
Quality of port infrastructure | Various WEF | Number 1
Online Services Index | UN-eGovt | Number 1
Average PISA score | INDEAD-GII | Top 20
Physician density | WIMD-WCY | 2.9 per 1,000
Nurse density | IMD-WCY | 6.0 per 1,000
Average health life expectancy | Various | 73 years
Reliability of police services | Various WEF | Number 1
Road traffic deaths | WEF-TTR | 3 per 100,000
Judicial system efficiency (enforcing contracts) | WB-DBR | Top 10

Sources: ECC, Prime Minister's Office, www.vision2021.ae/en
International comparison reports
International reports provide third-party validation and benchmarks

Sources: Earth Institute, IMD, INSEAD, Legatum, Transparency International, UNDP, WEF, World Bank, Y/Zen
The WEF Global Competitiveness Report (GCR)
An examination of how indicators feed into the GCR index

- Individual using internet, %
- Inflation, annual % change
- Property rights
- GDP (PPP$ bn)
- Malaria cases/100,000 pop.
- Total tax rate, % profits

\[ f(x) = y \]

Source: World Economic Forum
Data and the UAE’s statistical offices

The role of the NBS and other statistical offices in policy

- International reports rely on internationally comparable data
- The UAE has a complex and underdeveloped statistical infrastructure
  - NSO: National Bureau of Statistics (NBS)
  - RSO: Statistics Centre of Abu Dhabi (SCAD)
  - RSO: Dubai Statistics Centre (DSC)
  - RSO: Department of Statistics and Community Development Sharjah (DSCD)
  - Sundry disconnected statistical generators (e.g. ministries, free zones, etc.)
- Moreover, data provided by the NSO and RSOs are often incomplete, outdated, wrong or not in internationally comparable format
  - Lack of data culture and human capital in quantitative disciplines has resulted in data being a fundamental challenge for the country

Sources: CIA Factbook, IMF, World Bank
Managing the reports
Reports are a way to get entities to align with national strategic goals

Sources: IMF, WEF, WB Database
The carrot and *whip* of international reports

Reports are a way to get entities to align with national strategic goals
The ruler of Dubai is affectionately referred to as “Sheikh Mo” by those living in the UAE – an extremely popular leader.

The carrot for those working towards achieving the UAE’s strategic goals is a picture with *the* Sheikh.

Policymaking in the UAE is highly unconventional.

– No sane advisor in the 1980s would have ever approved the idea of making Dubai an aviation hub anchored by a world-class domestic airline...
Appendix 1

UAE performance over time in other competitiveness reports

Sources: IMD, Legatum, UNDP, World Bank
Appendix 2
UAE trade patterns and composition

Sources: CIA Factbook, Observatory of Economic Complexity (MIT)
Appendix 3
UAE socio-economic data are often not robustly estimated

Even vital and simple data such as inflation is not reported with precision

The cumulative inflation reported by the NBS (CPI) from 2007 to 2013 is 18.1%
while over the same period the GDP deflator inflation is 35.9%

- Planning/discounting projects with time horizons is uncertain

Sources: IMF, NBS