

United Arab Emirates



Geography

Area: 82,880 sq. km. (30,000 sq. mi.); about the size of Maine.

Cities (2002 est.): *Capital*--Abu Dhabi (pop. 1,000,000); Dubai (pop. 860,000).

Terrain: Largely desert with some agricultural areas.

Climate: Hot, humid, low annual rainfall.



People

Nationality: *Noun and adjective*--U.A.E., Emirati.

Population (2007 est.): 4.4 million.

Population growth rate (2007 est.): 4.0%.

Ethnic groups: Indian, Pakistani, Bangladeshi, Egyptian, Jordanian, Iranian, Filipino, other Arab; (15-20% of residents are U.A.E. citizens).

Religions: Muslim (96%), Hindu, Christian.

Languages: Arabic (official), English, Hindi, Urdu, Persian.

Education: *Years compulsory*--ages 6-12. *Literacy* (U.A.E. citizens)--about 80%.

Health: *Life expectancy*--about 76 yrs.

Work force (2006) 2.968 million (93% foreign in 15-64 age group): *Agriculture*--2.3%; *industry*--61.9%; *services*--35.8%.

Government

Type: Federation of emirates.

Independence: December 2, 1971.

Provisional constitution: December 2, 1971.

Branches: *Executive*--7-member Supreme Council of Rulers, which elects president and vice president. *Legislative*--40-member Federal National Council (consultative only).

Judicial--Islamic and secular courts.

Administrative subdivisions: Seven largely self-governing city-states.

Political parties: None.

Suffrage: State-nominated electors chose half of the Federal National Council seats in 2006.

Central government budget (2006): \$7 billion.

Economy

GDP (2006 est.): \$163 billion.

Annual growth rate (2006 est.): 9.7%.

Per capita GDP (2006 est.): \$37,000.

Inflation rate (2006 est.): 10-13%.

Natural resources: Oil and natural gas.

Agriculture (2005 est., 2.0% of GDP): *Products*--vegetables, dates, dairy products, poultry, fish.

Petroleum (2005 est.): 36%.

Manufacturing (2005 est.): 13%.

Services (44% of 2003 GDP): Trade, government, real estate.

Trade (2006 est.): *Exports*--\$157 billion: petroleum, gas, and petroleum products. *Major markets*--Japan, South Korea, Thailand, India. *Imports*--\$126.6 billion: machinery, chemicals, food. *Major suppliers*--Western Europe, Japan, U.S., China, India.

Foreign economic aid (2004): In excess of \$5.25 billion.

PEOPLE

Only 15-20% of the total population of 4.4 million is U.A.E. citizens. The rest include significant numbers of other Arabs--Palestinians, Egyptians, Jordanians, Yemenis,

Omanis--as well as many Indians, Pakistanis, Bangladeshis, Iranians, Afghans, Filipinos, and west Europeans.

The majority of U.A.E. citizens are Sunni Muslims with a very small Shi'a minority. Many foreigners also are Muslim, although Hindus and Christians make up a portion of the U.A.E.'s foreign population.

Educational standards among U.A.E. citizens population are rising rapidly. Citizens and temporary residents have taken advantage of facilities throughout the country. The UAE University in Al Ain had roughly 17,000 students in 2004. The Higher Colleges of Technology, a network of technical-vocational colleges, opened in 1989 with men's and women's campuses in each emirate. Zayed University for women opened in 1998 with campuses in Abu Dhabi and Dubai. Zayed University will establish separate male campuses for the 2007-2008 academic year. American University Sharjah had over 4,500 students enrolled in 2007. Many foreign universities, including ones from the U.S., U.K., and Australia, also have campuses in the U.A.E.

HISTORY

The U.A.E. was formed from the group of tribally organized Arabian Peninsula Sheikdoms along the southern coast of the Persian Gulf and the northwestern coast of the Gulf of Oman. This area was converted to Islam in the Seventh century; for centuries it was embroiled in dynastic disputes. It became known as the Pirate Coast as raiders based there harassed foreign shipping, although both European and Arab navies patrolled the area from the 17th century into the 19th century. Early British expeditions to protect the India trade from raiders at Ras al-Khaimah led to campaigns against that headquarters and other harbors along the coast in 1819. The next year, a general peace treaty was signed to which all the principal sheikhs of the coast adhered. Raids continued intermittently until 1835, when the sheikhs agreed not to engage in hostilities at sea. In 1853, they signed a treaty with the United Kingdom, under which the sheikhs (the "Trucial Sheikdoms") agreed to a "perpetual maritime truce." It was enforced by the United Kingdom, and disputes among sheikhs were referred to the British for settlement.

Primarily in reaction to the ambitions of other European countries, the United Kingdom and the Trucial Sheikdoms established closer bonds in an 1892 treaty, similar to treaties entered into by the U.K. with other Gulf principalities. The sheikhs agreed not to dispose of any territory except to the United Kingdom and not to enter into relationships with any foreign government other than the United Kingdom without its consent. In return, the British promised to protect the Trucial Coast from all aggression by sea and to help out in case of land attack.

In 1955, the United Kingdom sided with Abu Dhabi in the latter's dispute with Saudi Arabia over the Buraimi Oasis and other territory to the south. A 1974 agreement between Abu Dhabi and Saudi Arabia would have settled the Abu Dhabi-Saudi border dispute; however, the agreement has yet to be ratified by the U.A.E. Government. The border with Oman also remains officially unsettled, but the two governments agreed to delineate the border in May 1999. Since that time, the U.A.E. has constructed a border

fence along the entire length with both Oman and Saudi Arabia. The new fence and checkpoints will likely be finished by 2008-2009.

In 1968, the U.K. announced its decision, reaffirmed in March 1971, to end the treaty relationships with the seven Trucial Sheikhdoms which had been, together with Bahrain and Qatar, under British protection. The nine attempted to form a union of Arab emirates, but by mid-1971 they were unable to agree on terms of union, even though the termination date of the British treaty relationship was the end of 1971. Bahrain became independent in August and Qatar in September 1971. When the British-Trucial Sheikhdoms treaty expired on December 1, 1971, they became fully independent. On December 2, 1971, six of them entered into a union called the United Arab Emirates. The seventh, Ras al-Khaimah, joined in early 1972.

The U.A.E. sent forces to help liberate Kuwait during the 1990-91 Gulf War. U.A.E. troops have also participated in peacekeeping missions to Somalia, Lebanon, Bosnia, Albania, Kosovo, and Kuwait.

In 2004, the U.A.E.'s first and only president until that time, Sheikh Zayed bin Sultan Al Nahyan, died. His eldest son Khalifa bin Zayed Al Nahyan succeeded him as Ruler of Abu Dhabi. In accordance with the Constitution, the U.A.E.'s Supreme Council of Rulers elected Khalifa bin Zayed Al Nahyan as U.A.E. Federal President. Mohammed bin Zayed al Nahyan succeeded Khalifa as Crown Prince of Abu Dhabi. In January 2006, Sheikh Maktoum bin Rashid Al Maktoum, U.A.E. Vice President and Prime Minister and Ruler of Dubai, passed away and was replaced by his brother, Sheikh Mohammed bin Rashid Al Maktoum (MbR), Ruler of Dubai and U.A.E. Minister of Defense. On February 9, 2006, the U.A.E. announced a cabinet reshuffle. Several ministries were eliminated or renamed, while others were created.

GOVERNMENT

Administratively, the U.A.E. is a loose federation of seven emirates, each with its own ruler. The pace at which local government in each emirate evolves from traditional to modern is set primarily by the ruler. Under the provisional constitution of 1971, each emirate reserves considerable powers, including control over mineral rights (notably oil and gas) and revenues. In this milieu, federal powers have developed slowly. The constitution established the positions of President (Chief of State) and Vice President, each serving 5-year terms; a Council of Ministers, led by a Prime Minister (head of government); a supreme council of rulers; and a 40-member Federal National Council (FNC). The FNC is a consultative body with half its members appointed by the emirate rulers and half elected.

POLITICAL CONDITIONS

The relative political and financial influence of each emirate is reflected in the allocation of positions in the federal government. The ruler of Abu Dhabi, whose emirate is the U.A.E.'s major oil producer, is president of the U.A.E. The ruler of Dubai, which is the U.A.E.'s commercial center, is vice president and prime minister.

Since achieving independence in 1971, the U.A.E. has worked to strengthen its federal institutions. Nonetheless, each emirate still retains substantial autonomy, and progress toward greater federal integration has slowed in recent years. A basic concept in the U.A.E. Government's development as a federal system is that a significant percentage of each emirate's revenues should be devoted to the U.A.E. central budget.

The U.A.E. has no political parties. The rulers hold power on the basis of their dynastic position and their legitimacy in a system of tribal consensus. Rapid modernization, enormous strides in education, and the influx of a large foreign population have changed the face of the society. In December 2006, the U.A.E. held its first-ever limited elections to select half the members of the FNC. Ballots were cast by electors selected by the emir of each emirate. One woman was elected to the FNC and seven additional women were appointed to be council members.

ECONOMY

Prior to the first exports of oil in 1962, the U.A.E. economy was dominated by pearl production, fishing, agriculture, and herding. Since the rise of oil prices in 1973, however, petroleum has dominated the economy, accounting for most of its export earnings and providing significant opportunities for investment. The U.A.E. has huge proven oil reserves, estimated at 98.8 billion barrels in 2003, with gas reserves estimated at (212 trillion cubic feet); at present production rates, these supplies would last well over 150 years. In 2006, the U.A.E. produced about 2.8 million barrels of oil per day.

Major increases in imports occurred in manufactured goods, machinery, and transportation equipment, which together accounted for 70% of total imports. Another important foreign exchange earner, the Abu Dhabi Investment Authority--which controls the investments of Abu Dhabi, the wealthiest emirate--manages an estimated \$600 billion in overseas investments.

More than 6,000 companies from more than 120 countries operate at the Jebel Ali complex in Dubai, which includes a deep-water port and a free trade zone for manufacturing and distribution in which all goods for re-export or transshipment enjoy a 100% duty exemption. A major power plant with associated water desalination units, an aluminum smelter, and a steel fabrication unit are prominent facilities near the complex.

Except in the free trade zone, the U.A.E. requires at least 51% local citizen ownership in all businesses operating in the country as part of its attempt to place Emiratis into leadership positions.

As a member of the Gulf Cooperation Council (GCC), the U.A.E. participates in a wide range of GCC activities that focus on economic issues. These include regular consultations and development of common policies covering trade, investment, banking and finance, transportation, telecommunications, and other technical areas, including protection of intellectual property rights.

Principal U.S. Officials

Ambassador--[Michele J. Sison](#)
Deputy Chief of Mission--Martin Quinn
Political Officer--Al Magleby
Economic Officer--Oliver John
Consular Officer--Robert Dolce
Public Affairs Officer--Steven Pike
Management Officer--Stewart Devine
Commercial Officer--Christian Reed

[U.S. Embassy](#) mailing address--PO Box 4009, Abu Dhabi; tel: (971) (2) 414-2200, PAO (971)(2) 414-2410; fax: (971)(2) 414-2603; Commercial Office: (971)(2) 414-2304; fax: (971)(2) 414-2228; Consul General in [Dubai](#)--Paul Sutphin; PO Box 9343; tel: (971) (4) 311-6000; fax: (971)(4) 311-6166, Commercial Office: (971)(4) 311-6149).