

Nuclear power in the United Arab Emirates: A case for public debate?

Martin Hvidt

News

Within the next month, the United Arab Emirates (UAE) will put its first nuclear reactor into operation. To introduce nuclear power is not only a significant energy investment, the result of a careful international diplomatic puzzle, but arguably a decision that could be expected to give rise to considerable public debate. This paper will analyze the public debate and the decision making behind this project which is the first of its kind in the region.

Summary

While UAE possesses approximately seven percent of the world's proven oil reserves, it is challenged in meeting its ever increasing demand for electricity. While oil is plenty, it does not make economic sense to burn it in order to generate electricity. Oil yields the highest income if sold on the international market, while it makes good sense to use available gas reserves to fuel power plants. However, despite large investments in gas fields over the years and recently through the USD 11 billion development of the onshore Shah gas field, the UAE is expected to remain a net gas importer. As early as 2008, domestic consumption overtook production, and the deficit continues to grow. Consumption of gas increased by an average annual rate of 7,8% over the past ten years and today UAE faces the biggest gas challenge of any of the Gulf Cooperation Council (GCC) nations.

Against this background, in 2008 UAE decided to build a nuclear power plant consisting of 4 reactors. The USD 20 billion project is expected to commence operation of its first reactor this month. When fully developed in 2020, its four reactors are expected to satisfy 25% of the combined electricity needs of the UAE, significantly reducing the demand for gas to feed power generation

Key Words

United Arab Emirates, energy policy, nuclear, gas deficit

About the Author

Martin Hvidt is Associate Professor at the Centre for Contemporary Middle East Studies at the University of Southern Denmark. He has recently returned to the center following a three year professorship at Zayed University, Dubai.

Analysis:

Public debate on energy issues

The development of the UAE's nuclear energy industry is not only a significant energy investment but, as mentioned, arguably a decision that could be expected to give rise to considerable public debate, at least if we take US and Europe as examples. However, systematic searches in the two leading English language newspapers in UAE, *The National* and *Gulf News*, reveal the near-total dearth of news items mentioning public debate around the development of the country's nuclear power capabilities. Among the few news items dealing with public reflections on this matter, one describes how the Emirates Nuclear Energy Corporation (ENEC) is reported to have hosted several public forums between 2009 and 2016, aimed at raising awareness and understanding of the UAE's programme for peaceful nuclear energy. In another item, from 2013, the *Gulf News* reported that more than 4,000 residents from across the UAE have attended these forums. Only one news item mentioned the questions raised by attendees: at one public meeting people inquired about the prospects of citizens obtaining jobs at the plant, and also asked what would be done with the nuclear waste (Mustafa 2012). In addition, one news article referred to polls conducted in 2011 and 2013 on public support for nuclear power in UAE. In all, 750 citizens were surveyed; the result was overwhelming support for nuclear power (Mustafa 2013). In other words, the written news media in the UAE cannot be said to reflect a genuine public debate concerning the introduction of nuclear power.

Decision-making structure in the UAE

At present, the UAE neither is, nor strives to be, a 'democracy' in the sense of a liberal Western multi-party system. The UAE maintains a decision-making structure based on a traditional tribal system characterized by centralized decision-making, personalized rule, and consensus among the group of decision-makers, counterbalanced with the practice of consultation with the elders and tribal heads within society. Advocates of this system highlight that the practice of consultation with the elders and tribal heads means that there is a *de facto* representation of popular interests within society (Alsharekh 2008; Abu Dhabi Govt. 2015).

Tribalism as a way of organizing society grew out of the age-old quest for survival in the harsh living conditions of the Arab Peninsula (Khalifa 1979, 96), later strengthened by the British colonial rule of the Trucial Coast (1820–1971). It was then further reinforced by new sources of wealth accruing to the rulers in the pre-oil era and after oil income started flowing (Zahlan 1998). Oil money significantly strengthened the rulers'

economic position, enhancing their ability to demonstrate largesse and 'buy' loyalty not only from the Bedouin tribes and the merchant elites but also from society at large (Hvidt 2007). As explained by Herb (1999), the neopatrimonial nature of the Gulf states implies that the regimes are organized around the ruler as an individual, with other members of the elite in relations of personal dependence on his grace and good favour.

While the road to modern statehood for most countries possessing tribal structures has included deliberate attempts to curb the strength of the tribes and the tribal system in order to shift loyalty from the tribal groups to the state, this has been less apparent in the UAE. As Van Der Meulen (1997, 8) points out, 'political leadership [in UAE] is confirming, legitimizing, strengthening, and extending the role of tribal and kinship ties in politics and the management of the economy.' This is clearly evident in the way the Federation among the seven emirates included in the United Arab Emirates is set up. hereunder the fact that natural resources remain the domain of each emirate. Since Abu Dhabi ruled by the Al Nahyan tribe holds 94% of the oil resources in UAE, they are the ones who control the oil and gas resources. In other words, UAE energy policy is more or less identical with the policy of rulers in Abu Dhabi.

The space for public debate

This type of governance structure has consequences for public debate. First, we should note that there is no tradition of questioning the decisionmakers or the decisions taken. Most issues of a domestic political nature are not debated in public forums like the news media: announcements are made after a decision has been taken. Furthermore, and perhaps as a consequence, there are very limited structures and procedures to facilitate openness of the public administration and transparency in decision-making. One obvious point is the lack of basic statistical data and key documents: for example, neither the federal nor the emirate-level budgets are readily available. As pointed out by (Hvidt 2012), decision-making on broader development issues does not generally leave a noteworthy 'paper trail' like White Papers, newspaper columns or minutes of parliamentary debates.

A second observation is that the UAE is characterized by the absence of organized interest groups. There are no trade unions or political parties, and the press exercises considerable self-censorship in dealing with domestic political affairs. While the UAE Constitution guarantees freedom of opinion and expression (Article 30), the laws related to libel and slander (e.g. Articles 372 and 176 of Federal Law no. 3 of 1987) are ambiguous, with unclear guidelines regarding what may legally be said or written, thereby discouraging public debate.

The only noteworthy organized interest groups are the Chambers of Commerce in each Emirate. However, they do not normally represent an opposition to the regime.

Although highly influential in maintaining a pro-trade regime over the years, they are a forum dominated by the leading business and merchant families, closely aligned with the elite families and the decision-making structure.

All of this explains why we find very little debate on decision-making – in public. This however does not imply that arguments are not formulated, issues not discussed or opinions not formed about issues related to nuclear power. Decision-makers in e.g. the National Oil company (ADNOC) or the other energy-related entities (e.g. International Petroleum Investment Company (IPIC) and Mubadala) undoubtedly have opinions and have surely articulated and discussed them, but these debates are not voiced outside the boardrooms. Among the citizens of UAE – i.e. the 985,000 nationals – it is also highly likely that debates and discussions take place about issues related to introduction of nuclear power. However, the general trust that the citizens have in the traditional system of rule, in combination with the lack of available information, probably dulls their wish and ability to participate meaningfully in debates on the potential positive versus negative implications nuclear power could have. Whether or not opinions are brought before the decision-makers most likely depends on the individual's connections upwards in the system, as through kinship ties. Expatriates – that is the nearly 8 million temporary workers, low skilled as well as highly skilled, that reside in the country might have opinions too, but they generally have no access to decisionmakers, apart from those expatriates working in the nuclear sector itself.

Discussion

All major energy related decisions in UAE are taken by The Supreme Petroleum Council in Abu Dhabi which not only is the highest authority responsible for energy affairs in the Emirate of Abu Dhabi but also functions as the Board of Directors for the national oil company (ADNOC), with its 55,000 employees (ADNOC 2015). In line with the dynastic nature of the royal families in the Gulf countries, six of the eleven members of the Supreme Petroleum Council are members of the royal family in Abu Dhabi (the Al Nahyans), three are Al Suwaidis and one Al Kindi. Both the latter families have for centuries been close allies of the Al Nahyan family (Peterson 2007). The Supreme Petroleum Council is chaired by the president of the UAE and ruler of Abu Dhabi, H.E Sheikh Khalifa Bin Zayed Al Nahyan, and the Crown Prince Sheikh Mohammad Bin Zayed Al Nahyan, who is the *de facto* ruler.

Since there are few - at least voiced - discussions on the energy policy and the introduction of nuclear power in UAE, it is of interest to ask whether or not there are conflicting views on energy policy within the royal family in Abu Dhabi. Again, due to lack of data, we cannot say. The Al Nayan family is known for keeping any internal disputes and discussions out of the public sphere. What we do know, however, is that Crown Prince Muhammad bin Zayed al Nahyan is a reformer who wishes to diversify Abu Dhabi's economy away from its near-complete dependence on oil and gas, and to make the state bureaucracy more efficient. He founded and continues to serve as chairman of Mubadala, which aims to build a dynamic and diversified UAE economy. Through this position, he has developed close relations with the business community in Abu Dhabi. Recent and significant changes in the top management of ADNOC indicate that Mohammad bin Zayed is seeking to bring on board a younger generation of technocratic managers and to streamline a large and often cumbersome bureaucracy (McAuley 2016).

While tribal structures are present and maintained, implying that appointments to executive jobs generally follow a complex pattern mirroring the power of the tribal hierarchy and elite families, Muhammad bin Zayed is an advocate of appointments by merit. In early 2015 a clear signal was sent that even individuals with close and long-established ties to the royal family should no longer take royal protection for granted. For instance, Khadem al Qubaisi was accused of misappropriating funds and was stripped of all his posts, among them chairman of government-owned International Petroleum Investment Company (IPIC). The current drive to promote efficiency, performance and profitability not only in ADNOC's activities but across all sectors in Abu Dhabi probably spurs debate or controversy within the royal family itself, since it alters established norms and practices in making appointments. However, the timing favours the crown prince. The collapse in oil prices that started in 2014 nearly halved Abu Dhabi's oil income, and exposed the need for substantial reforms that could prepare the country for a post-oil future.

Conclusions

This paper set out to analyse the decision-making and the public debate about the introduction of nuclear power in UAE. The conclusion from the above analysis is rather straightforward, namely that the traditional structure of rule in Abu Dhabi dulls public debate and allows decisions on the development of the energy sector to be taken by a narrow group of people belonging to the ruling family and the associated elites.

References

- Abu Dhabi Govt. 2015. Abu Dhabi eGovernment Gateway. Abu Dhabi.
<https://www.abudhabi.ae/portal/public/ar/homepage>. Accessed on 22 October 2015
- ADNOC. 2017. Abu Dhabi National Oil Company official website, Abu Dhabi: Abu Dhabi National Oil Company. <http://www.adnoc.ae/>. Accessed on 26 October 2015.
- Alsharekh, Alanoud 2008. "Debates on political reform in the Gulf: The dynamics of liberalizing the Public Spaces." In *Popular Culture and Political Identity in the Arab Gulf States*, edited by Alanoud Alsharekh and Robert Springborg, 154-70. London: SAQI Press / London Middle East Institute SOAS.
- Herb, Michael. 1999. *All in the Family. Absolutism, Revolution, and Democracy in the Middle Eastern Monarchies*. New York: SUNY.
- Hvidt, Martin. 2007. "Public – private ties and their contribution to development: The case of Dubai." *Middle Eastern Studies* 43 (4):557-77.
- . 2012. "Planning for Development in the GCC States: A Content Analysis for Current Development Plans." *Journal of Arabian Studies* 2 (2):1-19.
- Khalifa, Ali Mohammed. 1979. *The United Arab Emirates: Unity in Fragmentation*. Boulder Colorado: Westview Press.
- McAuley, Anthony. 2016. 'Sheikh Mohammed Signals Backing for Adnoc Strategy'. *The National*, 1 April. <http://www.thenational.ae/business/energy/sheikh-mohammed-signals-backing-for-adnoc-strategy>.
- Mustafa, Awad. 2012. 'Nuclear Fears Dispelled at Abu Dhabi Forum'. *The National*, 20 April. <http://www.thenational.ae/news/uae-news/nuclear-fears-dispelled-at-abu-dhabi-forum>.
- . 2013. 'Public Support for Nuclear Energy Rises in UAE'. *The National*, 29 March. <http://www.thenational.ae/news/uae-news/public-support-for-nuclear-energy-in-uae-rises>.
- Peterson, J. E. 2007. "Rulers, Merchants and Shaikhs in Gulf Politics: The Function of Family Networks." In *The Gulf Family: Kinship Policies and Modernity*, edited by Alanoud Alsharekh, 21-35. London: SAQI in association with London Middle East Institute SOAS.

Van Der Meulen, Hendrik. 1997. *The Role of Tribal and Kindship Ties in the Politics of the United Arab Emirates*. The Fletcher School of Law and Diplomacy: University microfilms international.

Zahlan, Rosemarie Said. 1998. *The Making of the Modern Gulf States: Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman*. New York: Ithaca Press.