

# ON THE ROLE OF SOCIAL INNOVATION IN THE GULF COOPERATION COUNCIL COUNTRIES

This article examines the role of social innovation in the Gulf Cooperation Council countries. Tracking its evolution from the early stages of Bedouin culture and invention by necessity through the issues of a nature-based economy and eroding traditional knowledge, it underlines its key importance in future reforms.

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## INTRODUCTION

Appreciating exchange rates, bloated government and weak incentives for competence development, entrepreneurship and innovation, are typically viewed as mechanisms for natural-resource wealth acting as a curse, rather than a source of benefits [1]. The Gulf Cooperation Council (GCC) countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) to some extent suffer from these problems, but still displayed high economic growth in recent decades. Special conditions, reflecting their harsh natural environment and particular history, are of high relevance to their development path. In this article, we examine the origins and role of social innovation in these countries, including with respect to future reforms and long-term prosperity.

## UNIQUE ROOTS FOR SOCIAL INNOVATION

Over the millennia, nomadic Bedouin life became interwoven with the camel and unique capacity for survival in the desert, escaping the influence of invaders along with laws and regulation of civilization as usual. The result was the rise of governance principles and traditions based on reciprocity, which incorporated remarkable loyalty among the kinship but also hospitality to strangers among its salient features.

The provision of “charity”, i.e. support for the less fortunate, further represents a deep-rooted cultural tradition across much of the Middle East. On the other hand, poverty and misfortune is associated with cultural stigma, growing out of an equally deep-rooted belief in the power of fate. This in turn brings “shame” for those affected, while making

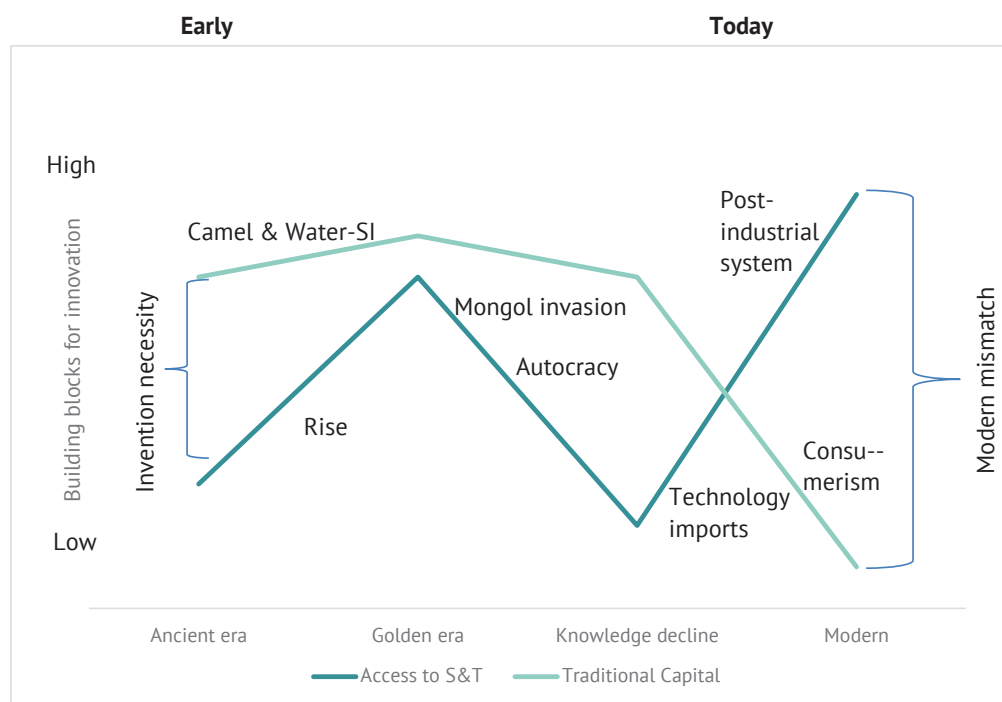
those who are healthy confident their luck is there to stay, until they deserve otherwise.

The need of managing their most pressing environmental issues further spurred invention. Water is a case in point. The qanat (canal) management system, found in Yemen, but present in related forms through large parts of North Africa and South Asia, was key to the organisation and survival of local communities. A special variant, the Omani falaj, developed sophisticated methods for how to divide the rights and usage of water in an equitable and efficient manner during cycles of varying availability [2]. In effect, its widespread diffusion and usage fed the capability of its people and institutions to compromise and achieve consensus.

While 3/4 of the 4000 known falaj were still in use at the start of the millennium, by today most have fallen into disuse. Technical knowledge needed to manage and maintain the falaj resides with the older generation and is gradually disappearing. As traditional water management has given way to irrigation, agriculture’s share of Oman’s water consumption swelled to approximately 90 percent. Overuse of aquifers blends with loss of biomass, erosion and desertification. With natural water resources disappearing, to secure water supplies, the GCC countries invest massively in costly and energy-intensive desalination facilities.

## A HOST OF CONTEMPORARY CHALLENGES

Although being the cradle of science a millennium ago, following the Mongol invasions in the 13th century and the



Phases of relevance for social innovation

subsequent influence of Ottoman Sultans, Indian Mughals and other authoritarian rulers, the Middle East suffered the retreat of critical thought, along with general engineering and innovation capabilities [3]. As technology imports and oil exploitation took off, the GCC countries gradually developed features of post-industrialised societies. Still today, however, their high investment in infrastructure, construction, education and the social sector remains dependent on natural resource rents. Their governance model has each public service leaning towards micro-management and turf-mentality. Citizens are offered land allocations, subsidised utilities and consumerism, based on a vision of the state as a “father”, expected to deliver to its “children”.

Stakeholder influence, including by extended families and tribes, meanwhile, remains strong. The term “wasta” indicates the significance of relations, rather than competence, in deciding who gets a job or is promoted. Girls outperform boys in most lines of education but women meet with special barriers in the work place. The overly young population

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(average age of 21-24 years) has rapidly gone wired and hooked on to consumerism. In standardized operations, costs are kept low by the arrival of low-wage immigrants, which account for some 90 percent of the population in Qatar and the UAE, while the share is about half in Oman and 30 per cent in Saudi Arabia.

A tension between old and new attained center stage with the Arab spring, from 2011 onward. Aspiring young generations articulated new demands using digital communication tools, for better jobs and a say in their future [4]. Several entrenched governments tumbled in Northern Africa and the Middle East, and in some civil war rages to this day. With the exception of Bahrain, the GCC countries tried to cushion the impact through handing out more favors and/or more press freedom and room for own-initiative by citizens.

## EVOLVING ROLE OF SOCIAL INNOVATION

The importance of diversifying the economy is critical to the GCC, even more so following the recent oil price decline. Innovation, entrepreneurship and enterprise start-ups are pushed for to broaden the economic base and to generate new high-value added jobs. This includes the introduction of “Smart city” tools and dynamics, e.g., Masdar in Abu Dhabi and Lusail City in Doha, or the “healthy communities” initiative” in Oman.

In the social sphere, several institutional initiatives have set out to counter the fast rise of non-communicable disease (NCDs). Kuwait’s Dasman Institute embraces a comprehensive strategy to counter diabetes. Screening of the Emirati

population by HAAD (Health Authority Abu Dhabi), uses individualised health insurance cards that feed into personalised web portals equipped with interactive services aimed to stimulate prevention and personalised health management.

Still, mainstream policy perpetuates “business-as-usual” consumption, production, education, trade, and investment practices [5]. A combination of traditional values and heavy bureaucracy keeps restraining “bottom-up” initiative, and efforts that aim at “no-profit” and “social good” meet with suspicion by the authorities. Following the Arab spring, however, mechanisms were introduced to register NGOs, which, in addition, became eligible for public support. This opened the door for institutionalisation of previously informal initiatives. The change has been most noticeable in health and social services, to some degree in education, and to a lesser degree with regard to the environment. Examples include movements to spread awareness of health disorders such as diabetes and cancer, or assist those with certain handicaps, such as autism. Some aim to counter drug abuse, or providing special assistance to children with learning difficulties. A network of women entrepreneurs in Saudi Arabia started a movement for organising relevant training.

Some such initiatives meet with slow progress, as in the case of efforts for Saudi women to be entitled to a driving license, or to participate in sports. Attempts in the environmental field, targeting, e.g., tree planting, eco-food or recycling of used products, are stymied by poor awareness among policymakers as well as the general public. As schemes remain absent for recycling, even the collection of hazardous waste such as batteries, all kinds of waste keep going to landfills throughout the GCC. Meanwhile, traditional sustainable practices, and associated forms of social organisation, are on the course of perishing.

## CONCLUSIONS

Social innovation in the Middle East is not new, but once made up the gist for managing a harsh climate and complex social relations. After an early “golden era” in science and technology retreated during the realms of autocratic governance, technology imports and oil exploitation have been accompanied by high growth, but also dependency on natural resource rents and an inflated public sector. Policy frameworks are typically “top-down” while also fragmented across government “pipes”.

As a consequence, a mismatch has taken hold between a post-industrial economy marked by high ICT penetration and the retreat of traditional capital reduced by consumerism, as illustrated in Figure 1. The key role taking shape for social innovations is less about attention to misfortune, but rather to instill a mindset that is conducive to behavioural change more broadly, i.e. openness to new solutions in response to outstanding issues. This implies greater effort in education, the work place and the market place, as well as prevention of health disorders and accidents, and more responsible energy, water and transport decisions. Weakening of natural resource earnings must now be met by more comprehensive policy reforms, with focus on accepting and inspiring citizen engagement on matters of key importance for future prosperity.

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