

## Original Article

# The challenge of re-branding progressive countries in the Gulf and Middle East: Opportunities through new networked engagements versus constraints of embedded negative images

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**ABSTRACT** International relations and diplomacy scholars have focused increased attention on countries' attempts to re-brand their image, but this attention has typically offered a top-down approach. The study of progressive Middle East countries' attempts to re-brand their image has been absent from this literature. A number of countries in the Gulf (Oman, the United Arab Emirates, and Qatar) and beyond in the Middle East (Jordan and to some extent Egypt) have tried to refashion their negative images and project themselves as places that are open for business and investment, and that offer political stability and liberalism. The Arab Business Council and the Young Arab Leaders, both World Economic Forum initiatives, are emblematic of the attempt to re-brand the Middle East through new patterns of networked engagement. Unfortunately, re-branding needs 'to be lived' beyond embedded negative images. The failures of re-branding in the Middle East are highlighted by the inability of Dubai Ports World and Al-Jazeera English – both companies from progressive countries in the Gulf – to penetrate the US market. In particular, the latter cases stand out, despite continued attempts to re-brand the region; even the progressive countries in the Gulf and Middle East have a long way to go before changing their image.

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## OPPORTUNITIES AND CONSTRAINTS OF RE-BRANDING

The benefit of branding a country's image in international relations has built up some popular appeal (van Ham, 2001). Yet, this concept has remained limited in application. In large part, cohesive strategies for the re-configuration of these 'mental maps' have remained a Western activity (*Ibid*). The restrictive quality of this practice is reflected in the relationship between branding and public diplomacy, in which a selective brand is projected in the international arena (Melissen, 2007). An important example is the re-configuration of US public diplomacy post-9/11 and post-Iraq invasion. The focus of place branding in this particular case is on showing how a positive image of the United States can be re-crafted to appeal to a wider Muslim community or more specifically to 'moderate' opinion within the Middle East. In hierarchical terms, therefore, the country that is at the apex of global power has attracted the most attention in the field. This top-down trajectory is also captured in the various attempts of the United Kingdom to create a different image of itself, at least in the early phases of the Blair years, with a concerted attempt to alter its image both domestically ('Cool Britannia') and internationally (an 'ethical foreign policy').

The practice of the re-branding of smaller countries has been directed towards those European countries that want to transcend their familiar images or stereotypes, whether these impressions are of recent origin or deeply embedded in historical terms. An example in the former category is Estonia, which actively tries to consolidate its identity as both an EU member and a NATO ally. A striking example of the latter category is Ireland, which has had great success in re-branding itself as the 'Celtic Tiger'. In all of these cases, both limitations and opportunities stand out. In the case of the smaller countries, the boundaries of the branding initiatives are quite clear. The focus is on getting positive attention, with an eye to both symbolic (trust at the policy elite level) and instrumental (tourism/investment)

advantages. Today, countries such as Estonia and Ireland do not suffer from the stigma of malevolent images; neither is considered to be aggressive or unreliable. The main purpose is to transpose the new images onto the mental map of critics and passive observers beyond the countries' borders, in a higher-profile but constructive fashion.

It is imperative that smaller and developing countries, however, initiate their own branding campaign or face being left out in the cold by the 'aggressive flag-waving marketing' of developed countries (Papadopoulos, 2004, p. 47). In an era of globalisation, countries that pursue place-branding campaigns will have greater access to foreign direct investment, will promote exports, and will attract tourism and international students (*Ibid*). Re-branding can be even more important for those with acute negative images, such as the Middle East. As Anholt (2004) aptly reminds us, '... the alternative to 'doing' nation branding is not *not* doing nation branding: the alternative is allowing others to do the branding for you' (p. 2). In the Middle East, progressive states need to work harder to dispel the many negative brands the region has already been assigned. Many such states suffer from the 'continent branding effect' described by Anholt (2004), whereas progressive countries can have the same reputation of the worst countries on their continent.

Because countries can suffer from this 'continent branding effect', they can also benefit from regional re-branding. But regional re-branding can obviously be more complicated than country re-branding. As Andersson (2007) points out in his study of the Baltic Sea Region, regions are further plagued by (1) 'coordination and management' constraints, where centralised decision-making bodies authorised to initiate and sustain re-branding are absent; and by (2) 'unity of purpose' constraints, whereby it is difficult to find a brand that could be agreed upon. This is especially true of regions where there is a diversity of identities, stakeholders, and goals (p. 124). Moreover, external versus internal

brand values can differ, as the case of 'Brand Europe' has demonstrated. Europeans share less positive views of 'brand Europe' than do non-Europeans, because the former share negative views of the bureaucracy and institutions in the European Union (Anholt, 2007a). For regions, an internal brand can differ noticeably from an external brand (*Ibid*), and a shared geography by itself is not enough to build a brand (Andersson, 2007).

The problems for the United States, and the United Kingdom, are quite different. At a societal and business level, the individual corporate brands that are associated with these countries may be deemed quite positive on a global basis (McDonald's, Microsoft, Nike, Virgin, and so on). The 'cumulative goodwill' that US brands have built have 'inoculated' them from ill-favoured foreign policy (Quelch and Jocz, 2005, p. 233). The question is whether the image at the state level matches the positive reputation of these non-state brands (Risen, 2005).

Serious limitations arise from this state-centric orientation of public diplomacy. The focus of most of the initiatives, outside of the European Union, remains firmly attached to the nation-state as a whole or in the form of smaller units of it (via branding of states/provinces/landers or municipalities). Even attempts by the European Union to re-brand the European project have been severely criticised for their restrictive quality. Instead of presenting a multi-faceted image of the European Union, there is an emphasis on its 'soft' ('beauty pageant') component, either at the micro (European songs, for example) or macro ('zone of peace') level.

In all of the aforementioned examples, the nations perceive their own images to be positive. This is true of the smaller states such as Ireland and Estonia. But it is also true of the United States and the United Kingdom. The central debate surrounding the public diplomacy of these two countries is not the intrinsic quality of the brand, but how best to sell it. In other words, what matters is getting the means of communication right.

Increasingly, this perception is not altogether an accurate one. To be sure, the techniques used by the United States have had severe problems in themselves, and some of the mechanisms of communication seemed facile. For example, the United States published an Arabic magazine named *Hi* to showcase the 'high' of the American way of life; 'a window on American culture', reviewing music, celebrity news, technology gadgets, and more. But in the minds of many Middle Easterners, its lack of attention to political affairs is what led to its eventual demise in December 2005 (BBC News, 2003). Other American initiatives smacked of propaganda, such as the American-owned satellite 24-hour news channel Al-Hurra (translates into 'freedom') that tried to report on the positive news in Iraq. The channel has been criticised for its perceived bias, poor journalism, and programming that is untailored to the needs of Arab audiences (USC, 2008). However, it was not simply the medium but the message – or rather the core state brand – that constituted the problem. Sophisticated techniques by themselves are not enough. The United Kingdom's actions are perceived by many to be at odds with its words, simply substituting 'Rule Britannia' again for 'Cool Britannia', and falling short of any legitimate claims of an ethical foreign policy. Not surprisingly, the 'Cool Britannia' campaign ended after 3 years, with much criticism and chiding by commentators and the British public (Quelch and Jocz, 2005).

By far the biggest obstacle for the success of both the US and the UK public diplomacy efforts is substantive, not stylistic. The means of communication are subordinated to questions relating to foreign policy. As a recent Pew study confirms, this negative view toward US foreign policy and the 'war on terror' continues to be 'widely unpopular in the Middle East' (Kohut and Wike, 2008).

The lessons for countries – or for that matter, regions – that are the object of negative images are obvious. More sophisticated public relations and media campaigns may be useful for re-branding these countries in international

relations, but there are limitations if these exercises are perceived to be about techniques of branding, rather than substance. The message that is conveyed by such countries is the vital component of place branding, along with the method by which this message, or set of messages, is translated into action. Re-branding must be a 'living' process, reflective of changes on the ground and not just about promotion and publicity (Anholt, 2007b).

In some cases, such re-branding exercises are easier than others because they focus on particular flaws or negative images that can be compensated for. In some cases, this has meant transforming negative images into positive ones (Gertner and Kotler, 2004). One illustration of this approach is Singapore's branding campaign, which substitutes efficiency and cleanliness for the authoritarian aspect of its political system. Likewise, openness in the economy is meant to overshadow the lack of political openness. In other cases, the flaws can at least be isolated, if not addressed. An example of this variation in approach is Thailand's response to its negative image as a country associated with 'sex tourism'. In an attempt to tilt its global mental map the country began to produce alternative images, including Thailand as a 'Kitchen to the World', and a 'Health Hub of Asia' (Nuttavuthisit, 2007).

However, for countries with more embedded negative image problems, the ability to alter these perceptions is far more difficult. Nevertheless, even in such cases there is a gradation of difficulty connected with the process of re-branding. Northern Ireland, for instance, boasts a number of deep-seated image problems that stretch beyond the end of the armed conflict. Arguably the most explicit deficiency is the absence of one single agreed-upon national identity that can be built on in a constructive fashion. In this context, it is evidently counter-productive to try to force one consistent image onto the world in any branding initiative (Gould and Skinner, 2007). Similarly, China's attempt to re-brand its image before the 2008 Olympic Games failed to take the success of the re-branding message at home

to the international level (Berkowitz *et al.*, 2007). This was perhaps best reflected in protests against China's role in Tibet and Darfur during the Olympic torch relay on European streets.

Nonetheless, to capture the salience of re-branding, attention on the sustained negative images of societies in transition must be widened by special cases within Western Europe. Amid all of the debate about US branding and public diplomacy targeting the Middle East and a 'moderate' Muslim community, serious considerations of a different or even reverse image – such as attempts by selective Middle East actors to re-brand themselves in a more progressive and positive manner – are neglected. [We prefer the progressive brand, to denote countries that have the image of being both socially liberal and economically open. The term 'moderate' has become closely associated with US public diplomacy (Krebs, 2008).] These attempts are especially evident in the Gulf regions, with special emphasis on Oman, the United Arab Emirates, and Qatar, all of which seek to change the way their countries are perceived. But this attempt at re-branding also spills over to other Middle East states, most notably Jordan and to some extent Egypt.

Akin to the countries mentioned above, this Middle Eastern re-branding effort aims to tell 'good stories' about this select group of countries and the region as a whole. To be sure, many of these efforts fall under the rubric of tourism and investment promotion. This is true *inter alia* of Emirates Airlines' high-profile events such as horse racing in Dubai, and Nakheel Corporation's innovative architectural projects such as the Palm and the World land-reclamation projects. Nonetheless, such efforts appear to go beyond these more restrictive classifications and sites to encompass activities that feature more ambitious symbolic and instrumental purposes.

One thrust of this re-branding exercise is reactive by nature. In a region plagued by negative press – and negative stereotypes – an emphasis on this defensive dimension is not

surprising. Positive stories about a booming Gulf region are countered by an ascendant image of many of the same Middle East states as aggressive competitors. This image stems from the return of sovereign wealth funds in the region, most notably the Abu Dhabi Investment Authority, from the United Arab Emirates. The Dubai Ports controversy triggered this kind of image backlash, as a commercial deal was re-configured to fit a model of Arab 'takeovers' reminiscent of the reaction to investments by Saudi Arabia and Kuwait in the post-1970s oil shocks context.

Such negative images are compounded by the problems in the region, and spill over onto the reputation of progressive Middle East states. For example, constructive attempts to re-brand the region are burdened by the powerful image of Osama Bin Laden – and the war on terrorism, more generally. However, if Bin Laden can be viewed by US opinion-leaders as having out-performed American initiatives to win the hearts and minds of the Arab street post-9/11, (Holbrooke, 2001) it is not unreasonable to suggest that progressive Middle East countries can come out of this shadow. Nevertheless, a case that reveals how difficult it is to separate such re-branding efforts from persistent negative images and stereotypes is the debate surrounding Al Jazeera English.

Fighting contradictions in images is a feature that is most often ignored in re-branding exercises. Although the United States has arguably faced the greatest difficulties in reconciling its own self-image to its perceived external image, it is not alone. This dilemma stretches across the spectrum. As Peter van Ham notes, the European Union also faces 'uphill battles where optimistic rhetoric stands in sharp contrast to modest results. Images of burning cities in Iraq and burning cars in Paris only add to the gloominess surrounding both America's and Europe's prospects to sell themselves and their policies' (van Ham, 2005).

No less than in the United States or the European Union, the pivotal test for the Middle East's progressive countries embracing any initiative of positive re-branding is to go

beyond cosmetic style, and to address issues of substance. If the barriers to associating external re-branding with political change at home are formidable, the exercise makes the study of such developments exciting, if unwieldy.

It must be acknowledged that such activities are not designed as part of a comprehensive public diplomacy strategy. We are currently witnessing a blend of novel images presented for both internal and external consumption. In an even more accentuated fashion than Northern Ireland, there is no ability (or attempt) to present a coherent single image; heterogeneity in both messages and targets is very apparent. It is featured in such initiatives as the arrangement made by Oman with Landor Associates in 2004 to develop a strategy to 'Brand Oman'.

As Oman's Minister of Commerce and Industry HE Maqbool bin Ali Sultan had noted, 'This project comes as part of our vision of developing a non-oil-based sustainable economy and promoting the image of Oman to the world, not only as a tranquil, authentic Arabian tourism experience, but as a hub for investment, technology, trade and education for the whole peninsula' (Bhatnagar, 2005). The re-branding exercise is meant to focus on Oman's location, wealth, openness to diversity, political stability, and economic liberalism; rather than focusing on the autocratic, conservative, and unfriendly image that the Arab gulf can present. But we privilege, in this paper, a number of broad-based initiatives across the region. Similarly, Egypt's state authorities, who have recognised that the country's brand is not a positive one, have instead shifted emphasis to the 'Red Sea' in its tourist promotion. Such attempts at re-branding highlight not only the differentiated status of Egypt, but also its capacity for creativity.

But obstacles to this approach continue to stand out. As highlighted by the Egyptian case, there are limits on how far the progressive brand can be stretched beyond select states of the Gulf and wider Middle East. Serious external constraints exist, such as the resistance to the presentation of a new image via the

Dubai Ports' attempted purchases. But the internal constraints are no less striking. Granted, stronger initiatives to re-brand the region reflect some measure of domestic change, and include a far wider array of progressive actors in the brand. And although the countries at the core of this study are socially liberal and economically open by Middle East standards, they all contain conservative forces that contest the re-branding efforts. But even at a very nascent and inconclusive stage, these attempts to forge innovative patterns of networking merit attention, both for their potential and their performance so far. In the wider Middle East, as elsewhere, if an authentic re-branding process is to take place, it must develop as a 'living' brand with tangible signs of action to justify the re-branding, not just the idea that the brand ought to be remade.

### **DIVERSE INITIATIVES TOWARDS RE-BRANDING**

The initiatives aimed at re-branding select countries in the Middle East are limited but expanding. There is a striking blend of conformity and adherence to the standard model for changing the 'mental map' of a region. As in most other cases, the approach is elite-driven, with a top-down bias. As opposed to accepted script found elsewhere, however, the approach is not strictly state-led or inter-governmental-oriented. The hallmarks of the initiatives are the mobilisation of new networks of 'thought leaders,' as they can be called, or ideational entrepreneurs together with elements of a new economic elite. In some cases, the catalyst or channel for these activities is found in external sources, whether the UNDP or the World Economic Forum. In other cases, notably the Young Arab Leaders (YAL), the inspiration comes from inside the region. To be sure, a 'transnational economic civil society' is moving at a faster pace of economic integration and regionalisation than regional governments (Legrenzi, 2008). Yet, in none of the initiatives do we see the high-blown declaratory statements of Arab nationalism often associated with the Middle

East of the past. There is sophistication and technical acumen in the ability to interpret forces and events both externally and internally. In all of the initiatives not only is there a partial critical dimension looking outwards, but also an inward dimension with critical views about the nature of Middle East politics and society.

The context for these initiatives needs to be elaborated upon. The second oil boom has had a significant impact on the region's political economy and relations with the world. Because of the mass amount of petrodollars earned since the oil price hikes of 2004, analysts have witnessed a new type of regional actor and a new mode of diplomacy. As Hertog aptly notes, the region is being increasingly led by private sector interests that seek to both diversify economic holdings and promote progressive politics and liberal economic policies within their countries and throughout the region as well (Hertog, 2007). The region's private sector, with the mild support of a select few governments, has adopted many of the liberal and Western world's symbols, language, and terms of reference in their appeal for a more liberal and progressive region. The impetus behind the private sector-led initiatives has been the realisation that the region will fail to grow and succeed under the political and economic status quo.

In some respects, the regional debate on how to promote progressive political and liberal economic change was initiated by the United Nations Development Program's 2002 report entitled the Arab Human Development Report (AHDR). The 170-page report was written by Middle East social scientists, and presented a critical view of the reasons for the region's overall lackluster economic and political development. The AHDR argued that the region suffered from the lack of freedom, knowledge innovation in culture, and gender equality. Although not referring to any one cure-all recommendation, the report emphasised the need for stronger pan-Arab economic cooperation and the need to counter the culture of cronyism with an

accountable private sector. The AHDR noted that

... just as growth alone cannot bear the whole weight of poverty reduction, the state alone cannot secure sustainable growth, full employment and elimination of the scourge of poverty. Arab countries' success in achieving these goals will be conditional on the evolution of a new social contract in which a synergy is generated between a revitalized and efficient government, a dynamic and socially responsible private sector, and a powerful and truly grass-roots civil society. (UNDP, 2002)

The AHDR had not received the support of Middle East intellectuals in the region because the report had not dwelled on the Israeli–Palestinian conflict or on the region's frustrations with continued Western and American interventions (Baroudi, 2004). Not without controversy, however, the report garnered significant support among international economic organisations, Western media, Western governments, and select Middle East business leaders. Heralded by many as a report written by 'Arabs for Arabs', it garnered some legitimacy in respected Western circles. Less than a year later, the World Economic Forum would adopt the theme of promoting pan-Arab integration using private sector initiatives, which would challenge not only the dominant brand externally, but also the social contract internally.

### World Economic Forum and the Middle East

In 2003, a special meeting of the World Economic Forum (WEF) met in Jordan under the patronage of Jordan's King Abdullah II to discuss ways of promoting change in the Middle East. Two initiatives of the WEF meetings in the Middle East came to fruition as a result of the meeting: the Arab Business Council (ABC) and the YAL.

The ABC was established to provide a new private sector-driven initiative that would address governance and prosperity challenges throughout the Middle East. The ABC was committing to

reinforcing and enhancing competitiveness in the Arab region by focusing on cooperating

with the region's governments and organizations towards the development of economic policies; reinforcing the voice of Arab business leaders in the international community, specifically on issues affecting the region's socio-economic and development agenda; and serving as the advisory body to the World Economic Forum on its Arab world strategy (Arab Business Council, n.d.).

Although skeptics have argued that the ABC represented yet another restrictive elite-driven idea, the ramifications of the ABC and its endorsement by many Middle East leaders was significant. The ABC marked a turning point in the region's international, regional, and state-society relations: it concluded that the region's growth and stability could no longer be assumed and championed by nationalist and state-led initiatives; rather, the future of the region was to be in the hands of progressive and private-sector initiatives. More importantly, a number of the region's leaders started to champion and support ABC initiatives, although acknowledging that political liberalisation was an important precursor and driving force for achieving the ABC goals of stimulating economic growth and regional prosperity. As the Jordanian King aptly noted in a 2007 speech at Davos, 'Economic remedies on their own cannot yield long-term results if they are not paired with serious political and social liberalisation... Initiative, excellence, and innovation cannot take hold in closed societies' (King Abdullah II, 2004). Regional leaders' acceptance of the ABC signaled their implicit acceptance of the need for political liberalisation. In effect, the ABC started to challenge the dominant brand and social contract in the Middle East: the disadvantages of autocratic rule, nepotism and cronyism were exchanged for rentier-state welfare policies.

The ABC represented the hope for a new external brand and internal social contract that would not necessarily serve the interests of, or be linked to, the long-term interests of Middle East political leaders. For example, the ABC sponsored the 2005 and 2007 Arab World Competitiveness reports that monitored and reported on Arab countries' institutions,

economic policies, and social conditions. Written mainly by Middle East experts, the reports had ranked and categorised Arab countries' structures and policies. By politely 'naming and shaming' countries, the ABC report has raised the performance standard of participating states (World Economic Forum, 2006). Moreover, ABC interlocutors have been assigned to national governments in Jordan, Egypt, and the UAE to promote the ABC's goals and agenda (World Economic Forum, 2008a). These National Competitiveness Councils (NCC) rank Arab countries' economic and social indicators although promoting business competitiveness (World Economic Forum, 2008a). In theory, the NCCs would be independent from Arab governments; they would initiate quiet conversations with public officials on ways to promote competitiveness; create tangible reports and ranking of members; involve local and regional media; and create outreach with other societal actors (Arab Business Council, 2006).

The ABC also agreed to promote standards of best practices to help counter the deeply entrenched culture of corruption and bribery. The organisation has asked its members to sign the 'Principles for Countering Bribery' (known as the PACI Principles), designed by an international task force of World Economic Forum corporate members, the independent Transparency International, and the Basel Institute on Governance (World Economic Forum, 2004). It eventually endorsed a 'covenant on the elimination of corruption and bribery' (World Economic Forum, 2008a); a once taboo subject in Arab countries – particularly at any formal, government, or business level – was suddenly being acknowledged and criticised in principle. Moreover, under the banner of 'The Promise of a New Generation', the World Economic Forum's ABC community met in Sharm El Sheikh, Egypt on 20–22 May 2006, and agreed to start a private sector-led initiative that would help re-brand the Middle East. The initiative, called 'Red Tape Out, Red Carpet In', prompted Middle East business

leaders to propose ways of re-branding the region to promote tourism and inward investment. Private businesses in the Middle East contributed funds into a marketing campaign to help change the image of the region. The plan also involved enhancing the role of 'Middle Eastern opinion leaders' on the world stage (World Economic Forum, 2008b).

To be sure, this process of inclusion has not been free of controversy. As some members of the ABC have moved into government positions, there has been criticism that the organisation no longer enjoys an arms-length relationship with Middle East governments. The following ABC members have moved into government positions: Rachid Mohammed Rachid, Minister of Foreign Trade and Industry of Egypt; Sheikha Lubna Al Qasimi, Minister of Economy and Planning of the UAE; Sharif Ali Zu'bi, Minister of Industry and Trade of Jordan; Mohammed Mansour, Minister of Transport of Egypt; and Basem Awadallah, Minister of Planning and International Cooperation of Jordan (Middle East Company News, 2006a).

Interestingly, the Chairman of the ABC, Shafik Gabr, has argued that this trend has actually helped to increase the pace of reform in the region. Referring to the four members of Egypt's National Competitiveness Council who became a part of Mubarak's cabinet in July 2004 (they have been called Egypt's 'dream team'), Gabr noted that 'they undertook in 18 months the most dramatic positive changes in various areas, including taxes, customs, trade, privatisation and much more' (Toumi, 2005). Indeed, business leaders have argued that the new Egyptian cabinet has helped the private sector excel both nationally and globally. For example, Naguib Sawiris, Chairman of Egypt's Orascom Telecom noted, 'In the past, we used to be very happy if the government just left us alone. We used to run away from them because they didn't speak our language. When we went global, they accused us of being traitors because we were investing outside the economy' (States News Service,



2006). Today, he explained, the pro-business Egyptian government has developed sufficient experience and understands the challenges faced by the private sector (States News Service, 2006). John Taylor, Under Secretary for International Affairs at the US Treasury, has similarly commended the ABC. As he noted, 'The regional business community is a natural partner and ally for reform-minded governments because business people have strong incentives to counter backward-looking isolationist tendencies that challenge both the economic and political stability of the region' (Taylor, 2005).

After 4 years, the ABC is indeed facing some identity challenges. The original vision of the ABC as a private sector-led initiative to help spur good governance and a new regional brand is at a crossroads. The co-optation of ABC members into government, and the endorsement of the organisation by Western officials and the World Economic Forum, has led to criticism from its member base. One interesting source of this negative reaction has come from Mohammed bin Issa al-Jaber, Chairman of MBI International in Saudi Arabia, who was a member of the 10-person executive committee. In October 2004, al-Jaber wrote a letter to 80 members of the ABC, complaining that it was too preoccupied with 'VIP delegations to make promises which will not be delivered'. The fact that members of the ABC moved into government and that its chairman had lengthened his term was a move away from the good governance principles that the group was meant to espouse. Moreover, the attempt to re-brand the region, associated with the ABC campaign, was failing as the organisation began to mirror the negative images of the Middle East: cronyism, autocratic rule, and nepotism. 'This behaviour is typical of our Arab governments which we hope to see change,' said Mr Jaber '... [ABC should] not only urge transparency and accountability on others but exemplify the highest principles in our own performance'. Despite the request for al-Jaber's resignation from the ABC's executive committee, put forward by the WEF's Frederic

Sicre, the former refused to comply (Fidler, 2004).

The pressure from within the organisation to return to its original mandate seems to have led some of its members to disassociate themselves from the WEF in summer 2007. According to a leaked ABC memo, members of the ABC had put pressure on the executive committee to consider a departure from the WEF. The memo noted that the ABC 'could best achieve its agenda of bringing change to the region as an independent, legal entity separate from the neutral and non-partisan platform of the [World Economic] forum'. Moreover, a separated ABC 'will also help maximize buy-in from the Arab business community as well as ensure a broader constituency – two concerns raised by some [council members] in Jordan'. As one of the founding members of the ABC has argued, 'There are some aspects of the WEF Middle East meetings that do not live up to the potential of this important event, [and] the ABC is one such aspect'. 'I believe the council has not delivered on its promise, and has gradually lost its relevance for a region as fast moving and promising as ours,' said Mohammed Alabbar, Chairman of UAE Emaar (White, 2007).

### Young Arab Leaders

In January 2004, the YAL initiative was made under the auspices of the WEF to develop a mentoring programme for young, professional Arabs, and to identify promising Arab leaders of the future. Using a number of regional chapters, the YAL aims to build a membership base of 500 individuals who are in senior government positions or are heads of regional corporations. Businesspeople comprise 60 per cent of its membership, the public sector represents 20 per cent, non-governmental organisations 10 per cent, the cultural and academia sector 10 per cent, and media 5 per cent (Young Arab Leaders, 2008a). The aim of the YAL is to devise and promote bottom-up initiatives that help to create a more prosperous and modern region.

The YAL derives some of its legitimacy from being a regional, rather than a global, movement. Past YAL Chairman Mohammed Al Gergawi has stated that 'The Young Arab Leaders' innovative approach to the key problems of our region seeks to fill this gap and will provide several platforms and opportunities for nurturing and developing Arab Human Capital in the future. Our approach has been developed after intense regional debates and originates from within the Arab world itself' (AME Info, 2004). These sentiments were echoed by then current Chairman Saeed Al Muntafiq, who noted that 'the major motivation of Young Arab Leaders...was to assume responsibility and bring about progressive change in the Arab World for Arabs and by Arabs alone' (Global Action Forum, 2006).

Although the YAL is intended to provide internal forums for dialogue on key development issues – such as how to promote leadership, education, entrepreneurship, and network building – there is an implicit diplomatic role for the organisation as well. The YAL's website best describes its core values:

We believe that leadership is not measured by an official title or by how many people follow you. Leadership is an attitude that stems out of a belief in one's own abilities, no matter where one stands in a professional hierarchy. The values we support and follow are: Excellence; Meritocracy; Accountability Entrepreneurship, Tolerance, [and] Candour. (Young Arab Leaders, 2008a)

Through the help of business sponsors, the YAL promotes outreach with the United States, Europe, and Asia to support its initiatives. The YAL's first outreach was with the United States. In inaugurating this event, Saeed Al Muntafiq noted, 'The past five years have created a wide gap between the US and the Arab world. It has created division and discord. We have a challenge. We, the Young Arab Leaders would like to extend our hand to participate with our peers in the US to address this challenge. We, the Young Arab Leaders

believe the solution lies in partnership, not division. We firmly believe the only way forward is through positive dialogue' (Young Arab Leaders, 2008b). The Arab and American Action Forum (AAAF) was a collaboration of 100 YAL members and 100 American youth who met in New York, in September 2006.<sup>1</sup> Saeed Al Muntafiq noted, 'The [AAAF] forum is the first step in YAL's plan to bridge the communication gap between the Arab region and the rest of world' (Middle East Company News, 2006b). Following the success of the US event, Dow Chemicals contributed US \$2 million to the YAL in December 2007 to support various initiatives under the 'Arab and American Dialogue Program' (Middle East Education News, 2007).

After the New York event, the YAL held the 'Global Action Forum: Arab and Asian dialogue' in Singapore in April 2007. The YAL Chairman noted, 'In this new world, closer ties between Arabs and Asians will not be an option, it will be crucial. These ties go beyond the mere supply of energy and trade. They are the ties of our common future. However, we are also bound by the challenges of this future that need to be addressed' (Global Action Forum, 2006). Among the outcomes and initiatives of the meeting, the group agreed to form a web portal called the 'virtual silk road' to host Asian and Arab news, art, and cultural information (The Straits Times, 2007).<sup>2</sup>

Following the event in Asia, the YAL organised a forum with Europe in November 2007.<sup>3</sup> The European meeting was organised in response to the feeling that Euro-Middle East relations had 'reached a threshold and a turning point'. The goal of the meeting was to help the YAL and European participants 'view one another through a new lens of re-discovery that recognizes that the ample business opportunities and unlimited trading partnerships can only be fostered and maintained through building bridges of dialogue, exchange and cultural understanding' (Young Arab Leaders, 2007).

The YAL, much like the ABC, challenged the longstanding Arab brand of cronyism, and promoted good governance and meritocracy by

harnessing the human capital of Arab youth. For example, Saeed Al Muntafiq noted how cronyism needs to be replaced with meritocracy in Arab business culture. He stated that 'If we aspire to be part of the global community than we have to play by the rules' (IPR Strategic Information Database, 2007).

### **LIMITATIONS ON RE-BRANDING: PERSISTENCE OF NEGATIVE IMAGES**

Along with the limits to social and economic change, there are also persistent negative images of the Middle East and the Arab world in general. As noted, one of these images is a dangerous and aggressive Middle East that acts as a competitor of the West. The classic illustration is the Dubai Ports controversy, a case that deserves attention both for its significance as testimony to the hold of an older brand of the region, and as a trigger for new efforts of re-branding. Similarly, Al-Jazeera English has not escaped its negative image as a mouthpiece for terrorists, as well as its inability to penetrate the United States market despite its global reach. Quite significantly, it is another example of the limits of re-branding the Middle East.

#### **Dubai Ports controversy**

Dubai Ports World, a company owned by the government of Dubai in the UAE, had purchased the British-owned Peninsular and Oriental Steam Navigation Company (P&O) in March 2006. P&O had operated key ports throughout the United States, including New York, New Jersey, New Orleans, and Miami, for a number of years. Dubai Ports' purchase and operation of P&O's US ports had been approved by key US government departments. However, US Congress raised their concerns over port security after the 9/11 Commission Report, and noted that two of the 9/11 hijackers were from the UAE, and that Al-Qaeda raised some of its funds in the UAE. In particular, New York Senator Charles E. Schumer, who heads Congress' Joint Economic Committee, stirred up a lot of controversy over the deal. The Congressional and public

firestorm created by the Dubai Ports' takeover of US ports intensified throughout early 2006.

The US President supported the UAE, noting that 'It would send a terrible signal to friends and allies not to let this transaction go through' (BBC News, 2006a). But controversy over the deal continued, leading Dubai Ports to back away from the deal and eventually sell its American P&O subsidiaries to Global Investment Group. As a result, the failed takeover of P&O's US-based operations significantly damaged the trusted and special relationship between the United States and the Arab Gulf. Specifically, the latter saw the resurfacing of mistrust, public paranoia, and political manipulation over its attempts to invest and recycle its petrodollars in the United States.

In response to the failed Dubai Ports takeover, we see a savvier Arab Gulf that has tried to promote greater political and elite understanding of its rapidly growing and modernising region, although practicing quiet public diplomacy. In September 2007, both Qatar and Dubai made competing bids to purchase minority stakes in the NASDAQ, a New York-based stock exchange that trades in shares of over 3200 companies. Both of the Arab Gulf emirates, however, learned from the Dubai Ports fiasco. Dubai hired lobbyists and strategists to vet out potential controversy in Congress and the US administration, well before the proposed deal was made public (Sender *et al*, 2007). Borse Dubai, a company owned by Dubai prince Mohammed bin Rashid al-Maktoum, had purchased nearly 20 per cent of NASDAQ.

The Abu Dhabi government's Mubadala Development Company – a company that had been used by the ruling elite to raise the profile of the Emirate brand in the international financial community (Abdelal and Tarsis, 2008, p. 4) – sought to purchase 7.5 per cent of the controversial Carlyle Group. Dubai Aerospace Enterprise (DAE) also purchased Landmark Aviation and Standard Aero Holdings from the Carlyle Group for \$1.8 billion. Similar to the NASDAQ deal, Congress was notified of Abu Dhabi's interest in the politically connected

company, and this was labeled a 'courtesy' by Carlyle co-founder David Rubenstein (Sender *et al*, 2007). The Abu Dhabi Investment Authority would later acquire 4.9 per cent of Citigroup's securities for \$7.5 billion; but first Citigroup approached Senator Schumer to obtain his 'seal of approval' (Kirchgaessner, 2007). Schumar also noted that companies 'are being careful and they are touching base, and that's a good thing' (Rugaber, 2007). The president of the Organization for International Investment, Todd Malan, noted that unlike DP World's attempted ports acquisition, DAE was 'very open' with Congress (The Economist, 2007). The Emirates has since used lobbying firms to help launch 'a public-relations drive to bolster its image and support for acquisitions' (The Economist (US), 2007).

### Al-Jazeera English

Traditionally, media in the Middle East has been highly regulated by government censors. Arab audiences had few sources for objective and critical news, as television channels, newspapers, and radio were state-controlled across the region. But since satellite television was introduced throughout the Middle East, becoming especially widespread in the mid-1990s, private ownership and competition in news channels have flourished (Kraidy, 2002). Al Jazeera, a Qatar-based television and media empire, has made the greatest impact on the region's news service landscape.

Qatar's Prince Hamad Bin Khalif Al-Thani represents a new generation of Arab leaders in the Middle East. He assumed power from his father in a bloodless coup in June 1995. The 44-year-old emir was educated at the UK's Royal Military Academy, and has since brought Western economic and political reforms to Qatar, including universal suffrage and extensive economic liberalisation and deregulation. His greatest impact throughout the Middle East was to finance and promote his vision for an uncensored media in the Arab world: Al-Jazeera. Although technically Al-Jazeera is privately owned, the Qatari royal family has continued to financially support the channel,

which has been unable to raise enough revenue to cover costs (Byrd and Kawarabayashi, 2003). The emir's vision for Al-Jazeera was '... a TV station reflecting the new image of Qatar that he wished to project to the outside world' (Bahry, 2001).

Since its inception, Al Jazeera has broadcast 24-hour news in Arabic, throughout the Middle East, that is critical of many Arab regimes and their policies. The channel raised the ire of Middle East governments who were unaccustomed to having their actions scrutinised by fellow Arab news channels, and quickly received the attention and admiration of Arab viewers (Bahry, 2001). It has been estimated that in 2003, nearly 35 million Arab viewers tuned into Al-Jazeera; in addition, Al-Jazeera's website records 17 million visits per day (Byrd and Kawarabayashi, 2003). But although the channel had revolutionised Arab societies' response to critical news, known as the 'Al Jazeera effect' (akin to the CNN effect among American audiences), the impact of the channel remained limited to Arab audiences.

The Qatari leader's attempt to reach the West would be realised in November 2006. Al Jazeera English is a 24-hour news channel that quickly reached more than 80 million homes after launching (BBC News, 2006b). By mid-2008 it had reached 110 million homes (half of what CNN reaches), including over 55 000 homes in Israel (The Arab American News, 2007; England, 2008). Al Jazeera's English-language channel maintains four regional news bases: Washington, DC; London; Kuala Lumpur; and Doha. The channel claims to provide 'accurate, impartial and objective news for a global audience from a grass-roots level' and aims to develop into 'the channel of reference for Middle East news' (McKelvey, 2007). This includes editorial independence from the Arabic news channel and editorial control in each of the four news bases (McKelvey, 2007).

Al-Jazeera English, however, failed to escape the negative images of having Arab benefactors. The US cable companies have not agreed to carry the channel, claiming a lack of a US

market for the content. At one point, however, US cable provider Comcast was to air Al-Jazeera English to its Detroit market, home to the largest Arab-American community in the country. But Comcast pulled out of the deal just before its scheduled launch. Management at Al-Jazeera English believed that the Comcast decision was motivated by domestic political opposition to the deal (The Arab American News, 2007). Al-Jazeera English managing director Nigel Parsons notes that 'It's extraordinary that while the rest of the world is happy to watch us ... the US stands in splendid isolation' (The Arab American News, 2007). The channel suffers from being labeled by members of the Bush administration as a mouthpiece for terrorists, specifically Osama bin Laden. Banks and insurance and accounting firms have also shied away from taking on Al-Jazeera English as a client, for fear of a negative political backlash; Al-Jazeera English journalists working in the United States have even come under local suspicion and have raised the brows of police authorities when trying to cover news stories (Asquith, 2006). Despite attempts by Al-Jazeera English to broadcast in the United States, the negative images of its benefactor continued to limit its effectiveness.

## TOWARDS A CONCLUSION

Constraints, far more than opportunities, continue to dominate any discussion of country and region re-branding of the Gulf and the Middle East, even when progressive countries are at the centre of the debate. Internally, the hold of older embedded negative images are strong, and in many ways deservedly so – the ills of corruption and cronyism are still rampant.

The economic momentum at the core of the re-branding efforts is also fragile. The boom in the Gulf – with all of its attendant spillover effects in the banking and service sectors – offers a compelling 'good story' in an otherwise troubled region. But there are obvious downsides, most notably in an accentuated form of inequality and limited political and civic participation.

Yet, amid these deficiencies, some new networked initiatives are shining through, which have some potential to produce more positive outcomes, not only in facilitating domestic change, but external re-branding as well. With globalisation, and the push for a more expansive mindset, the conditions are ripe for a more confident approach to re-calibrate what the Middle East thinks of the world, and to help shape what the world thinks of the Middle East.

Even with these advantages, the task of addressing the enormous challenge of re-branding the Middle East or, more accurately, segments of the region, will not come without serious hurdles. Externally, all of the diffuse elements of this project will have to face one enormous test: the need to wear down the dominant (negative) images of the Middle East and have these images replaced by more benign ones. Even if the significant segments of the emerging elite in parts of the Middle East display a confident outlook about their region's position in the world, this positive image is not commonplace outside the region. Negative brands take an enormous amount of time to be reversed. Indeed, as witnessed by the rise of sovereign wealth funds from the most economically successful parts of the region, 'good stories' from inside the region may be interpreted as 'bad' from outside (Gee, 2008).

Re-branding even those more progressive countries of the Middle East must be a long-term project, with an outward-looking trajectory. But if these initiatives are to become reality, these efforts will have to match the positive images abroad with a positive reality at home. As examined in this paper, the attempt to connect these arduous agendas has begun in a far more ambitious manner than anticipated. But to make this into an authentic 'living' process, many more stages and layers of progress will have to be reached.

## NOTES

- 1 Sponsors of the meeting included the Clinton Global Initiative, Gulf Finance House, Emirates