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THE IMPACT OF INDUSTRIAL INVESTMENT ON GROSS DOMESTIC PRODUCT IN THE UNITED ARAB EMIRATES USING DOUBLE DATA ANALYSIS METHOD FOR THE PERIOD 2010-2023

Hussein Ali Ahmed

Assistant Professor, Department of Economics,
Ministry of Higher Education & Scientific Research, University of Basrah,
Collage of Administration and Economics. Email: hussain.ahmed@uobasrah.Edu.iq

Abstract

This study investigates the impact of industrial investment on the Gross Domestic Product (GDP) of the United Arab Emirates (UAE) over the period 2010-2023, utilizing the Double Data Analysis Method. The research, led by Assistant Professor Hussein Ali Ahmed, aims to quantify the relationship between industrial investment and economic growth, identifying the sectors that most significantly contribute to GDP. The UAE's economic diversification strategy, which includes investments in metal production, oil refining, foods and beverages, chemicals, and office equipment, is examined to determine its effectiveness. The study, which is qualitative in nature and employs secondary data from the UAE's Ministry of Economy, uses a longitudinal approach to analyze trends and impacts across different industries. Statistical tools such as descriptive statistics, correlation analysis, and regression analysis are applied to understand the relationship between industrial investments and GDP. Results show a strong positive correlation between investment levels, workforce size, capital intensity, and GDP contributions, indicating that these factors are critical for economic growth. Regression analysis reveals that invested capital intensity per operator is the most significant predictor of GDP contribution, with a high explanatory power of 97.8%. The study suggests that strategic investments in capital-intensive industries are essential for increasing the UAE's GDP. The research concludes that policymakers should focus on sectors with high capital intensity and invest in workforce training and development to maximize economic returns. The study underscores the importance of a robust monitoring and evaluation system to ensure that investment strategies are effective and can be adjusted as needed.

Keywords: *Industrial Investment, Gross Domestic Product (GDP), Economic Growth, United Arab Emirates (UAE).*

INTRODUCTION

The United Arab Emirates (UAE) has undergone a fantastic economic metamorphosis during the last decades, almost from an oil-dependent economy to a more diversified one, the latter counting on investments in different industrial fields. The country's plans to create an industrial sector, a base for economic development, is significant as it determines the gross domestic product and offers employment opportunities (Zhang, 2018). This research is made to determine the influence of industrial investment on the GNP of the UAE for the period of 2010 – 2023, in which the Double Data Analysis Method is implemented to provide a full grasp of this relationship. Industrial investment is a pivotal segment of the economy in any country. It has augmented national productivity, facilitated the rationalization of new technologies, increased employment, and supported environmental sustainability. In the UAE, a tremendous amount of money was invested in such