“DON’T PANIC: WHY THE UAE INNOVATION MODEL CHANGED IN 2009: A CASE STUDY OF VIRGIN GALACTIC”

AQEEL ZAMAN

Interdisciplinary Studies, York University, Canada
E-mail: aqeelzam@yorku.ca

In 2020His Royal Highness (HRH), Sheikh Mohammed Bin Zayed Al Nahyan (MBZ) formed a disruptive and transformational cabinet as UAE Crown Prince. MBZ’s 2020 public change marked a significant discontinuity (Foucault, 1966) in hegemonic thinking relative to petrochemicals, entrepreneurial risks, market development, financing, and strategic geopolitical risks toward an innovation economy. All during a lucrative time forpetrochemicals. In my opinion, he prototypedthe innovationvisionat least 10 yearsearlier. We examine this transition through one$280 million case study in 2009 with investment into Virgin Galactic (VG) (Ashworth, 2020).

MBZ ironically backstopped this transition through his massive oil revenues. By strategically rewarding “innovation thinking” through a network of innovation architects such as Mr. Khaldoon Al Mubarak (Jones, 2020), CEO of Mubadala. I believe MBZ and his core team cannibalistically tried to forestallan imminent future existential economic crisis (Peak Oil).

I believe MBZ’s thinking back in 2009, was influenced by Moonshot Theory (MT) (Google X, X-Prize, and Elon Musk, etc.). MT began with John F. Kennedy's dream (1961) to “land a man on the moon” (NASA, 1962) or achieve an “audacious” goal within the existing technologyecosystem. MT necessitated a cultural shift in entrepreneurial risk by executives. MBZ signalled his transition to moonshot theory, with his very OWN moonshot – diversifying away from petrochemicals for his own economy.

This paper will explore the parameters of the 2009 VG deal. In 2006, I presented 90% of that deal, to top bureaucrats of the government, with 100% turning me down with laughter. Utilizing an Exploratory Sequential Validation research model (Hai-Jew, 2015: 428) I will seek to interview key stakeholders and contrast the two times. The gaps were the most interesting in this discontinuity.Between, the UAE team crossed a Foucauldian/Kuhnian (Frank, 2019) chasm (Mention et al., 2019; Moore, 2014) resulting in a $280 Million investment and highlighting the explanatory power of thisdiscontinuity.

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