

Oman's Economic Diplomacy in Al Busaid Era

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Abstract

The paper aims to examine the new form of diplomacy adopted by his Majesty Sultan Haitham bin Tariq which known as economic diplomacy. Diplomacy focuses on developing economic status of the country by having cooperation between political and economic institutions of the country. The paper is significant as it highlights an important pillar of Oman's vision 2040, the vision that aim to diversify Oman's economy instead of relying on oil as the major source of income in the country. The paper argues that Oman's economic diplomacy is not a new trend in Oman's foreign policy as Omanis used to practice it throughout the history, benefiting from the geographical location of Oman in Indian ocean. The paper highlights the significant role of this ocean in tracing the origin of economic diplomacy in Oman. The paper uses the qualitative approach in conducting the research and reaching its objectives. Secondary sources are used extensively in this paper. The paper has crucial impact in implementation of the objectives of Oman vision 2040 as it provide recommendations to how the country can achieve best results in implementing economic diplomacy.

Key Words: diplomacy; investment; commerce; cooperation; foreign policy; pragmatism

1. Introduction

Diplomacy has always been linked with the role of political actors in solving problems of the country in a peaceful way. However, diplomacy overtime has been changed to have new dimensions which go beyond the political dimension. Accordingly, the paper is written to focus on new form of diplomacy that many countries in this era are trying to focus on, which is

economic diplomacy. Economic diplomacy has numerous definitions, but the main idea of this diplomacy revolves around the importance of promoting the economic interests of the country by having integration and cooperation between all governmental units in the country. This diplomacy has been applied in Oman since the ancient history of Oman especially under Said bin Sultan era who contributing in promoting economic interests of the country by choosing Zanzibar as a capital of Oman which helps Oman to achieve the economic goals of the country. The geographical location of Oman which opened to strategic maritime roads including Indian Ocean and Strait of Hormuz is highlighted in this paper to trace factors that help Oman in playing economic diplomacy throughout the time.

The major contribution that this paper aims to add to the exiting literature is to fill the gap in which most of literature discusses the foreign policy of Oman that focuses on neutrality and conflict management while there is little attention to economic diplomacy. The paper is trying to compare the foreign policy shaped by his majesty Sultan Qaboos with the one that shaped by his majesty Sultan Haitham bin Tariq. The paper also highlights the impact of applying economic diplomacy in achieving the goals of Omani vision 2040.

The research is based on the following central research questions:

How do the pillars of Oman's foreign policy contribute to the country's success in achieving the goals of economic diplomacy?

Other research questions are:

1. How does the geographical location of Oman affect its foreign policy ?
2. How does Oman's economic diplomacy change during different eras?
3. How economic diplomacy can help the government to achieve the country's vision for 2040?

The paper argues that pillars that shapes Oman's foreign policy in the era of Sultan Qaboos helps Sultan Haitham to achieve more progress in economic diplomacy. The paper also tries to prove that Oman historical background in trade in Indian Ocean along with the strategic location of

Oman that opens to important seas and ocean is what enable the country to achieve progress in economic diplomacy in the recent eras.

1.1 Outline

The article is structured into four sections. The first section provides a general overview in economic diplomacy by providing definition for this concept. The second section provides historical background about economic diplomacy by tracing the role of Omani traders in Indian Ocean, and also by focusing on the effective role played by geographical location of Oman especially the openness of the country to strategic ocean like Indian ocean in developing the concept of economic diplomacy. The third and fourth sections in this paper provide a comparison between economic diplomacy in the era of Sultan Qaboos and Sultan Haitham. These two sections are important as it shows the impact of foreign policy drawn by the late Sultan in affecting the economic diplomacy that Sultan Haitham tries to achieve in his era. Recommendation to enhance the governmental work in achieving more progress in economic diplomacy field is provided in the last section of the paper.

2. Literature Review

There are numerous papers that discussed Oman's foreign policy and its diplomacy in the past especially in the era of Sultan Qaboos bin Said. However, literature that existed in discussing economic diplomacy in Sultan Haitham era still is less. Many efforts were made by different institutions in Oman to enhance the concept of economic diplomacy in this era. It is the core pillar in Oman's vision 2040 and therefore it witnessed a significant development, and it will continue to witness more improvement. Therefore, this research paper will open the path for other researchers to trace the economic diplomacy of Oman in the era of Sultan Haitham and its new features. It will also enable researchers to conduct more comparative studies on this topic as there are many areas that can be compared whenever while studying economic diplomacy of Oman. Some can compare economic diplomacy during Sultan Qaboos bin Said with the new economic diplomacy introduced by Sultan Haitham bin Tariq. This paper also will try to provide recommendation to different actors in Oman which would help in activating economic diplomacy effectively.

2.1 Economic Diplomacy

Papers that discussed economic diplomacy in general are many but still had limited scope as it only focused on defining economic diplomacy and its main principles. For example, Zirovcic (2016) in his paper entitled “Theoretical principles of Economic diplomacy who defines economic diplomacy as the attempt of one country to promote its economic interests in the international arena.¹ The author examined the main actors which are responsible for achieving the economic diplomacy’s goals including state actors and non-state actors including Intergovernmental organizations such as United Nations and World Bank. The contribution of this paper can be seen in the efforts of the author to describe the new role of diplomats and changing the function of government such as Ministry of Foreign Affairs which now is having economic roles. However, the paper doesn’t mention the challenges that the global environment brings to countries while it is trying to achieve its economic goals.

This gap is filled by another literature written by Neves (2017) which discusses the challenges that globalization brings to countries and affect the states’ attempts to achieve its economic diplomacy. The author also added to those challenges, number of strategies which could help in mitigating the negative effects of globalization addressed in this literature.² Despite all literature that have been discussed the economic diplomacy, few literature discusses challenges faces economic diplomacy in the Gulf region. This gap is going to be filled in this paper as it is going to discuss the Omani case.

2.2 Economic Diplomacy in Oman

Literature discussing economic diplomacy in Oman is few and therefore, this paper is going to open the path for other authors to explore this concept in Sultan Haitham era. One of the existing studies was written by Albasoo and Maashania (2020). In this study, authors highlights the

¹ Zirovcic,D. (2016). Theoretical Principles of Economic Diplomacy. Retrieved from .
https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2710671

²Neves. (2017). ECONOMIC DIPLOMACY, GEO-ECONOMICS AND THE EXTERNAL STRATEGY OF PORTUGAL. E-Journal of International relations. Vol(8), Issue(1). Retrieved from <https://www.redalyc.org/pdf/4135/413550899006.pdf>

distinctive feature of Oman's diplomacy and its main pillars that helps Oman during Sultan Qaboos era to play the role of mediator and its efforts to bring the peace in the unpeaceful world.

Despite the rich information given in this paper especially the valid information about the unique feature of Oman's foreign policy, the paper doesn't mention the effective role of Oman's foreign policy in enhancing the country's economic statuses. ³This gap is filled by an article written by Al Kalbanni (2022) who published an article entitled "Economic Diplomacy plays crucial role in attracting investments". In this article, the author highlights the positive role that Omani embassies started to play in Sultan Haitham era to attract more investment in Oman. The role of embassies started to change from pure political functions to having more economic role to achieve the objectives of Oman's economic diplomacy.

After a deep analysis of existing literature, it is noticed that there is scarcity in the literature that discuss the topic of economic diplomacy because it is new concept started to be considered in the era of Sultan Haitham who took the power in January 2020. The previous literature that have been written in Sultan Qaboos era focuses more on Oman diplomacy that focuses on mediation and conflict management.

2.3 Economic Diplomacy

In International relations studies, there are two types of powers that any state can have to increase its capability and its reputation in the world international system. These powers are tangible and intangible powers. In intangible power, there are numerous elements that help in raising the intangible powers including diplomacy which considered as the powerful elements in intangible power as Josiph Nye has already introduced. Diplomacy as an element of intangible power is the ability of one actor to influence other's behavior without using force or coercion. Negotiation is a crucial part of diplomacy, and it used as a method for crisis management and to promote country's relations and enhance cooperation among different nations. However,

³ Al Basoos,H & Al Maashani,M. (2020). Oman's Diplomacy Strategy. International Journal of Research in business and social science. Vol (9), Issue (2). Retrieved from https://www.researchgate.net/publication/340169413_Oman's_Diplomacy_Strategy#fullTextFileContent

diplomacy in its traditional meaning has been changed over time as there are new forms of diplomacy started to exist in the international relations studies especially in the post-Cold War era such as economic diplomacy. So, what is economic diplomacy?

Definitions for economic diplomacy are many and its implementation differs from one country to another. Some could get confused between the concept of commercial diplomacy, which only depend on promotion of trade through the process of export and import, and economic diplomacy which goes beyond the concept of trade. Berridge and James (2005), defines economic diplomacy as diplomatic efforts made by different agencies of the country to support the economic sector in a state in general, and to support the growth of finance and business sector in particular. According to them, economic diplomacy is also about using different incentives or sanctions to meet different objectives of a country's foreign policy. In this form of diplomacy, the political purposes of a state are made by different political actors through different economic instruments (Neves, 2017).

Other authors such as Zirovcic (2016) views economic diplomacy as a new concept that recently added to international relations studies in twenty first century as it is an attempt of a state to promote its own economic interests by developing its international relations with various nations. Indeed, economic diplomacy is not only the responsibility of a state to achieve the economic interests of a particular nation but also the responsibility of non- state actors such as intergovernmental organizations including United Nation, World Bank and other bodies such as World trade organizations.

It should be noted that economic diplomacy is part of a state's foreign policy and therefore it is the responsibility of governments to guide all entities inside a state to form its economic diplomacy that will help in accomplishing a state's economic goals.

3. The History of Economic Diplomacy in Oman

Oman has been renowned for its economic diplomacy throughout its rich history. The long-time history of implementing economic diplomacy dates back to the 9th century during the era of Ibadism. During this period, Omani traders played a significant role in spreading the Ibadism

sect to various countries around the world eht raen noitacol cigetarts s'namO ,noitidda nI ⁴ . Indian Ocean made the Sultanate one of the pioneers in applying economic diplomacy, particularly during Al Busaid era, which has the central focus of this article.

Al Busaid dynasty began in the middle of the 18th century, after successfully repelling a Persian invasion led by Ahmed bin Said, who is regarded as the founder of Al Busaid dynasty. One of the major achievement during the rule of Ahmed bin Said is his establishment of a powerful naval fleet that contributes positively not only in defeating the Persian enemy but enhancing diplomatic and economic missions through trade which accordingly accomplished economic and political goals of Oman during that time.

One of the popular goods that were traded during Ahmed Bin Said was Arabian coffee. As mentioned earlier, Oman's proximity to the Indian Ocean plays a key role in Oman's economic diplomacy, which is evident in its efforts to establish trade routes for coffee trade across the Indian Ocean. The beauty of coffee trade lies in how Omani culture has been readily shared with other countries. Drinking coffee with others is considered a part of Omani tradition, which began to be observed in other regions, such as Africa due to Omani efforts to trade this traditional good which is seen as an implementation for cultural exchange. ⁵

Furthermore, economic diplomacy experienced noticeable growth during the reign of Said bin Sultan, an era known as “The Golden Era”. In this exceptional era, Oman extended its influence on Africa by relocating the capital of Oman from Muscat to Zanzibar. This strategic step added a significant impact to Omani economic diplomacy. The geostrategic location of Zanzibar, which directly opens into the Indian Ocean, played a pivotal role in enhancing Omani trade across the ocean and achieving significant economic growth, thereby elevating Oman to a powerful economic nation during that period. The most sought-after commodity during this time was spices, with a particular emphasis on the trade of cloves, which were in high demand at that time.⁶

⁴ Al Salmi, A. & Staples,E. (2017).Oman and Maritime History. New York. Retrieved from [www. Olms.de](http://www.Olms.de)

⁵ Al Salmi, A. & Staples,E. (2017).Oman and Maritime History. New York. Retrieved from www. Olms.de

⁶ Risso, P. Oman and Muscat. An Early Modern History. Routledge Library Editions. 1st edition

It should be noted that during the era of the Busaid state, Oman was often referred to as a great economic power. This description doesn't diminish the significant military role that continued the legacy of the Ya'aribah state. However, the Busaid state particularly excelled in its commercial capabilities to the extent that commercial colonial powers in the Gulf and the Indian Ocean, at times, sought to antagonize it, while at other times, they aimed to establish friendly relations.

3.1 Economic diplomacy In Sultan Qaboos bin Said era

Sultan Qaboos bin Said, the founder of Oman's renaissance, ruled the Sultanate from 1970 to 2020 and played a pivotal role in shaping modern Omani history. His reign was characterized by the establishment of diplomatic relations with various nations and the development of trust to foster economic partnerships. It should be noted that since the beginning of the renaissance, His Majesty Sultan Qaboos bin Said made significant efforts on the international stage, with his notable focus being diplomacy whether the political diplomacy or economic diplomacy. The pillars of Oman's foreign policy created by the Sultan plays essential role in gaining the trust of other countries that enable Oman to establish long-term economic partnerships. So, what are these pillars that make it easy for Oman to achieve economic goals of the state? The foundational principles of Oman's foreign policy, established by Sultan Qaboos, played a crucial role in gaining the trust of other nations, thus enabling Oman to forge long-lasting economic partnerships. What are these political pillars that facilitated Oman's achievement of its state's economic objectives?

3.2 Pillars of Oman's foreign policy

Key principles have been established in Oman's foreign policy, serving as a set of foundational pillars that distinguish Oman's foreign policy from others. These principles grant the state significant soft power, enabling it to not only pursue the country's political objectives but also its economic ones. At the forefront of all these pillars is neutrality, a policy that his majesty Sultan Qaboos worked diligently to protect Oman from any conflicts in the most tension – prone region. Neutrality is a policy in international relations adopted by countries that often refrain from taking a position in a dispute or a conflict. The major aim of adopting neutrality by countries like Oman

is gain the trust of all sides and to become an ideal candidate that can play the role of a mediator to bring peace and stability in a region prone to tension like Middle East region. The neutrality of Oman helps in promoting peace in the region by contributing to conflict resolution, such as in the Omani efforts to end the Yemen conflict and facilitating negotiation deal such as those between Iran and US.⁷

Another fundamental pillar of Oman's foreign policy, established by the late Sultan, is the approach of treating all countries as friends. This policy tries to reduce the potential for conflict and hostility in the context of international relations. Furthermore, good neighbour is another approach adopted by Oman in its treatment with all neighboring states as this approach focuses on respecting the sovereignty of all states without interfering in their internal affairs. Indeed, the approach of becoming a good neighbour helps in promoting peace and stability in Oman and promotes the long-term economic objectives of the country.⁸

Another key principle of Oman's foreign policy that gives the state an advantage in the context of international relations is tolerance. Tolerance is the approach that developed in Oman in its cosmopolitan character that contributes positively in enhancing both economic and political objectives of the country. The idea of tolerance revolves around the importance of respecting other cultures and ethnicities. Without having this principle, acceptance of others will not be easy and relations with different nation may not be acceptable. Another pillar is outward looking which helps Oman to be part of international system by its effort to become a member in numerous international organizations. For example, Oman is a member in World Trade Organization, the organization that aims to remove obstacles of trade. Outward looking is one of the major pillars for Oman's economic diplomacy and it is the way that helps Oman communicate with different nations, accomplish the commercial goals and trade as it has been seen in the upcoming section.

Finally, pragmatism which has been considered as the key principle to all Oman's relations with the world in its both economic and political relations. The Sultanate's location in most important

⁷ Sharewood, L. (2017). Understanding Oman Foreign policy. Retrieved from https://www.researchgate.net/publication/337740206_Understanding_Oman's_Foreign_Policy

⁸ Kechichian, J. (1995). Oman: A Unique foreign policy produces a key player in Middle East and Global Diplomacy. Retrieved from https://www.rand.org/pubs/research_briefs/RB2501.html

trade marine routs including Strait of Hormuz, Indian Ocean and the Arabian Sea is the vital factor that helps in shaping this approach in Oman's foreign policy. This location gives Oman an economic advantage but at the same time it could bring conflict due to its strategic importance for great power. Accordingly, Omani pragmatism approach is the way that helps Oman to avoid

the negative implications of its sensitive geographical location.⁹ Indeed, it should be noted that all political pillars created in Oman's foreign policy gives the country an economic advantage to accomplish economic growth and achieving economic diversity as it is going to be seen in the upcoming section.

3.3 Impact of these pillars on Economic Interests of Oman

There is no doubt that pillars of Oman's foreign policy are not purely political pillars but are the pillars for Oman's economic prosperity and growth. This section elucidates these pillars are important for Oman' economic development and how they have played a vital role in advancing Oman's economic diplomacy.

First, neutrality is a major pillar on which Oman's foreign policy relies, allowing the country to establish numerous economic relationships with a wide range of countries without being limited to specific alliances. For example, Oman does not perceive Iran as an enemy, even though some Gulf States hold such a perception. Therefore, Oman's neutral stance enables it to nurture economic relationships with all parties, even when conflicts exist among those parties. Additionally, Oman's neutral position contributes to making Oman more attractive for trade and investment, especially since it already serves as a trade hub for countries that may not enjoy friendly relationships.¹⁰

Furthermore, Oman's neutrality and its non-involvement in many regional conflicts contribute to the protection of its vital waterway, the Strait of Hormuz. Located at the Gulf Gate, the Strait of Hormuz is regarded as one of the most significant trade routes, and its security is significant for

⁹ Official page of Ministry of Foreign Affairs in Oman. Principles of Oman's foreign policy. Retrieved from <https://fm.gov.om/policy/foreign-policy/>

¹⁰ Jones, J& Ridout, N. (2013).Oman, Culture and Diplomacy. Edinburgh University Press. Second edition

facilitating the movement of oil and other products. Without Oman's neutrality and its role as a mediator, ensuring the security of this route along with Oman's economic interests would be far more challenging.¹¹

With tolerance as a cornerstone of Oman's foreign policy, this principle contributes to the establishment of a cosmopolitan society in Oman. Consequently, it fosters an inviting environment for a diverse range of global investors. Investors have experienced no significant hindrances within the country where they operate their businesses. Additionally, it is easier for Omanis to invest abroad and collaborate with foreign nations, particularly if they have lived in a cosmopolitan society, as they are more accustomed to adapting and working diplomatically within diverse and novel environments.¹²

3.4 Oman's Action Plan to promote its economic goals

Oman started to promote its economic interests by its attempt to be a member in various global and regional organizations to promote its economic interests. For example, in November 2000, Oman joined the International Trade organization (WTO) to get benefits from all economic privileges that this organization will give the country, especially in removing the obstacles in the trade and accordingly helps Oman to achieve its economic interests. It becomes easy for Oman to access to the global market without facing obstacles or trade barriers. Oman's memberships in WTO also promote the confidence among international investors as investors are more likely to invest in a country that respects the international trade regulation and rules. Furthermore, Oman benefits from its membership in WTO to easily negotiate other countries in bilateral trade agreements. Another step that Oman uses to promote its economic interests is by getting membership in the regional organization, Gulf Cooperation Council, which aims to promote different interests for its members including the economic interests. This step helps Oman to integrate with the Gulf economies and getting the advantages of having good neighborhood in its Oman's foreign policy.

¹¹ Jones, J& Ridout, N. (2013).Oman, Culture and Diplomacy. Edinburgh University Press. Second edition

¹² Jones, J& Ridout, N. (2013).Oman, Culture and Diplomacy. Edinburgh University Press. Second edition

3.5 Economic diplomacy in Sultan Haitham Era

Since His Majesty Sultan Haitham bin Tariq assumed power in January 2020, economic diplomacy has received significant attention. His Majesty has been diligently working to encourage all state institutions, particularly the Ministry of Foreign Affairs, to collaborate with

various government bodies to achieve the objectives of economic diplomacy. The Omani embassies in all the countries where they operate are being activated for this purpose. They have initiated efforts to promote Oman's foreign policy on a broad scale, aiming to achieve the country's economic goals, particularly by increasing foreign investment in Oman.

Without a doubt, economic diplomacy during Sultan Haitham's era has experienced successful results, due to the pillars established in Oman's foreign policy during the reign of Sultan Qaboos bin Said. It's worth noting that the Sultan Qaboos era played a significant role in establishing these enduring pillars for Oman through its neutrality policy and non-involvement in regional conflicts. This policy has enabled the current Sultan to successfully promote and further these pillars in pursuit of the Sultanate's economic objectives and in gaining the trust of investors from around the world.¹³ Indeed, Oman under the rule of the current Sultan is anticipated to experience further accomplishment in its economic diplomacy, benefiting from the political and diplomatic legacy accumulated over the past many years. This legacy has become a crucial element of Oman's soft power, adding to all components of soft power that Oman possesses.

3.6 Economic Diplomacy and Oman's Vision 2040

Oman vision is a futuristic and long-term development strategy that Oman tries to achieve by the year 2040. Several key pillars are established in the vision for the betterment of Oman's society and its people. One of the major pillars that this vision aims to accomplish is diversification of the economy by reducing the government's dependency on oil and finding other sources of income such as attracting foreign investors and encouraging tourism. In this context, the term

¹³ Ramous, N. (2023). Geopolitical assessment of Oman. IEE. Retrieved from https://www.ieee.es/Galerias/fichero/docs_analisis/2023/DIEEEA52_2023_NATTOR_Oman_ENG.pdf

“Economic Diplomacy” is widely used in the new Oman’s foreign policy led by his Majesty Sultan Haytham bin Tariq as this term is the method that will help Oman to achieve its economic goals. To that end, the Sultanate is initiating a high effort to redefine the roles played by key actors in the diplomatic sector. The new role that diplomatic actors should play is to promote the pillars of Oman’s foreign policy especially stability of Oman and its neutrality to attract more foreign investments and attracting more tourists in the country. Sultan Haitham bin Tariq

assigned the embassies of Oman by giving them Royal directives to intensify their efforts in implementing economic diplomacy as it is becoming now the first role that these embassies should do.¹⁴

Similarly, the Sultan made high efforts to ensure that commercial units in the country should be aware about political skills as it become important to teach those who working in business units the way that diplomats can negotiate trade agreements by understanding key political features of Oman.¹⁵ It should be noted that in the context of economic diplomacy, there is no pure political role or pure economic role as political and economic knowledge is now required for both political and economic actors. One of the initiative made know to activate the economic diplomacy term is that the government started to educate Omani businessman and all actors working in different economic units about Oman’s foreign policy and encourage them to participate in the international trade forums.

One of the international trade forums that Oman participates is due to its activating of its economic diplomacy is the Omani-German Business Forum. This forum is an example of Omani efforts to promote its economic relations by applying economic diplomacy. Numerous economic topics have been discussed in this forum such as opportunities of trade exchange and investments that can be made between the Federal Republic of Germany and the Sultanate of Oman. This kind of forum is a great opportunity for Oman to introduce its economic vision such as Omani

¹⁴ The Business Year Press. Oman Vision 2040: The future of Investment. Retrieved from <https://thebusinessyear.com/event/oman-vision-2040-the-future-of-investment/>

¹⁵ Al Kalbanni , H. (2022). Economic Diplomacy plays crucial role in attracting investments. Oman Observer press. Retrieved online from <https://www.omanobserver.om/article/1117726/oman/economic-diplomacy-plays-crucial-role-in-attracting-investments>

vision 2040, and its main pillars. It is already taking the opportunity in this forum to present work papers that explain the pillars of the futuristic vision of Oman, and it presented all facilities and all advantages that Oman will going to make for investors especially by the free economic zones.¹⁶ It should be noted that attending these high levels of forums conducted by governmental institutions is a crucial part of economic diplomacy that requires a high level of awareness about diplomatic skills such as negotiation and economic knowledge to achieve successful experience

for Omani economic diplomacy. It also should be noted that the main actors who attended this forum are ambassadors of Oman in Germany and the German ambassador in Oman which mean that political ambassadors 'role are shifting now to have mixture features between politics and economic.¹⁷

Different institutions in Oman are responsible for activating the economic diplomacy including Oman chamber of Commerce and Industry which plays essential role in promoting this principle to achieve fruitful results from implementing the concept in Oman. It also a responsibility of diplomatic missions of Oman in various countries to take this role in promoting Omani trade and attracting foreigners to invest in Oman. The Ministry of Foreign affairs which used to practice purely political mission is now playing a complementary role with other economic institutions in the country to promote economic diplomacy and boosting investments and trade in the country.

3.7 The Importance of Economic Diplomacy to Oman

One of the important pillars in Oman's vision 2040 is diversification of Omani economy to reduce its high dependency on oil and increase the sources of income by having other sources such as investment. Economic diplomacy is the means that Oman tries to use in order to achieve the objective of economic diversification. The role of economic diplomacy has been mentioned explicitly in the speech given by the Minister of Economy, Dr. Said bin Mohammed Al Saqri who emphasized the effective role of economic diplomacy in facilitating trade relationship and

¹⁶ Oman Observer.(2021). Omani- German Forum explores trade exchange, investment opportunities. Retrieved from <https://www.omanobserver.om/article/1109785/oman/omani-german-forum-explores-trade-exchange-investment-opportunities>

¹⁷ Al kindi, H. (2023).OCCI Hosts Omani- German Business Forum. Retrieved from <https://www.omanobserver.om/article/1143751/business/economy/occi-hosts-omani-german-business-forum>

promoting investment opportunities in the country. Due to the importance of economic diplomacy, the Sultan gave Royal directives to the political units in Oman including Ministry of foreign affairs and embassies to start acting economically by implementing economic diplomacy.

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4. Recommendations

Sultan Haitham bin Tariq has already started to give directions to activate the concept of economic diplomacy. One of the directions is the importance of activating the role of embassies and ministry of foreign affairs in promoting the country's economy. In this section, certain recommendations are given to ensure the effective implementation of economic diplomacy and ensure the positive consequences. One of the major recommendations is the importance of rising the awareness of all governmental units especially the political units that has pure political role should have courses that help in raising their knowledge in finance, investment and other issues in economics. In light of economic diplomacy approach, governmental units should not have pure political role. Also, education should play a key role in achieving the best results in activating economic diplomacy. For example, universities and different colleges in Oman should introduce requirements courses that go in line with economic diplomacy goals. For example, introducing a course entitled economic diplomacy to ensure that everyone has already known about economic diplomacy. In addition, organizing workshops in different workplaces and inviting expertise to provide lectures in understanding economic diplomacy and expected roles that everyone in the workplace should do. Government also can establish a new unit responsible only for achieving the goal of economic diplomacy and one of its responsibilities is to conduct all activities that would help Oman to implement economic diplomacy.

5. Conclusion

¹⁸ AL kalbani, H. (2022). Economic diplomacy plays crucial role in attracting investment. Oman Observer. Retrieved from <https://www.omanobserver.om/article/1117726/oman/economic-diplomacy-plays-crucial-role-in-attracting-investments>

In conclusion, paper found that Oman foreign policy in Oman adopted political dimension during Sultan Qaboos era who founded the pillars for the country's foreign policy. However, these political pillars helps the country indirectly to achieve its economic goals especially neutrality and cooperative nature of Oman with the rest of the world. Indeed, Sultan Haitham bin Tariq adopted the same pillars of the previous Sultan but with more focus on economic dimension.

Those pillars founded by the late Sultan Qaboos bin Said played an essential role in enabling Sultan Haitham bin Tariq to draw the pillars and principles for economic diplomacy. Economic diplomacy which started to receive the high attention in Oman as it considered as one of the

main objective of the new Sultan. The new foreign policy of Oman is guided with economic mentality to achieve economic prosperity for Oman by establishing economic relations with the international world. Numerous factors help Oman to adopt the economic diplomacy especially the role of geography in which Oman located in strategic seas and ocean. The historical role played by Omanis in promoting the country's values and beliefs helps Oman today to shape more economic relations with majority of the countries. The paper added positive contribution to existing literature as it highlights a new era that Oman is experiencing. The Sultan Haitham era started in January 2020 and there is scarce literature that focuses on his era due to the fact that his era started recently. This paper will open the path for the futuristic literature to explore and discover more about economic diplomacy and its reflection on the future of Oman as Oman is in its way to implement its futuristic vision 2040. Comparative analysis can be done in the future literature to compare and contrast foreign policy of Oman during Sultan Haitham era and with the era of Sultan Qaboos bin Said. In addition, comparative analysis can be done by comparing Oman's economic diplomacy with other gulf countries to explore the features that distinguish Oman from other countries.

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