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# SHIFTING LANDSCAPES: THE SOCIAL AND ECONOMIC DEVELOPMENT OF AQABA, JORDAN

by

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#### DEDICATION

My research is dedicated to the city of Aqaba, a place that has helped to shape and define my identity. I could never have imagined, back in 1997 when I first fell in love with this city, that it would impact the trajectory of both my personal and professional lives. For this I will be eternally grateful, as without Aqaba there would be no Poppy.



#### ACKNOWLEDGEMENTS

Special thanks go to my family in Jordan and the residents of Agaba who took the time to share their experiences and realities with me, the generous support of the Jordan Fulbright Fellowship Program staff, the people of ACOR, the Department of Anthropology at the University of South Carolina, as well as my committee: Kimberly E. Simmons, Ann E. Kingsolver, Thomas L. Leatherman, and Amy Mills. This research was made possible by my patient and encouraging colleagues who pestered, er, pushed me to finish. A huge thanks goes to this unofficial committee, including Kristen Hudgins, Cat Keegan, Christy Kollath-Cattano, Jessica Boulware, Audrey Dawson-Croft, and Cheri Williams. I was fortunate to work with some great multi-disciplinary scholars with similar research interests while in the field, namely Pascal Debruyne of Ghent University and Muna (Hamzeh) Rabieh, journalist, author, and true cultural guide. The undertaking of a PhD involves more than just the person doing the research. By the end of the process, family and friends have learned to navigate the ups and downs that come along with academic research and writing. I owe a debt of gratitude – and a lot of catch up phone calls – to my family. Mom, Rick, Tracey, Pat, Larry, Liane, and Ingrid: thank you for your never-yielding belief in me. Finally, I have to thank Ziad and Poppy for their patience and understanding in putting up with me throughout the writing process.



#### **ABSTRACT**

In my dissertation, "Shifting Landscapes: the Social and Economic

Development of Aqaba, Jordan", I examine the role of the global in (re)defining the local by considering the anticipated impact of the planned large-scale urban development within Aqaba. I contend that the identities of the citizens change as the city itself undergoes 'renovation' through political adjustments, globalization, tourism development, and commercialization. I argue that these transformations provide opportunities of empowerment, albeit often limited, for marginalized populations who attempt to broaden the dominant local identity by taking advantage of new economic opportunities and increasing their agency within the city. This research provides a fine-grained ethnographic portrait of the lived social and economics realities that the residents of Aqaba experience within the transition to becoming a 'developed' city. As such, it is also relevant beyond Jordan to communities worldwide undergoing similar urban tourism development.



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#### LIST OF ABBREVIATIONS

ACED Program Agaba Community and Economic Development Program (USAID)

ACOR American Center of Oriental Research

ACT Agaba Container Terminal

ADC Aqaba Development Corporation

ARA Aqaba Regional Authority
ASEZ Aqaba Special Economic Zone

ASEZA Aqaba Special Economic Zone Authority ASTRA Arab Supply and Trading Corporation

AUC Agaba University College

AZEM Agaba Zone Economic Mobilization Project (USAID)

CBO Community-Based Organization
CSR Corporate Social Responsibility
ECC Economic Consultative Council

EPZ Export Processing Zone

FDA Family Development Association

FTZ Free Trade Zone

GDP Gross Domestic Product

GUVS General Union of Voluntary Services

IBRD Internal Bank for Reconstruction and Development INJAZ Economic Opportunities for Jordanian Youth Program

IMF International Monetary Fund

JD Jordanian Dinar

IREDS Royal Marine Conservation Society of Jordan

IRF Iordan River Foundation

JVR Jordan Valley Rift

M&E Monitoring and Evaluation
MENA Middle East and North Africa
MOSA Jordan Ministry of Social Affairs

MOTA Jordan Ministry of Tourism and Antiquities

MOU Memorandum of Understanding
MSD Jordan Ministry of Social Develor

MSD Jordan Ministry of Social Development
MSME Micro, Small & Medium Enterprises
NET Neighborhood Enhancement Team
NGO Non-Governmental Organization

NTS National Tourism Strategy

PDTRA Petra Development and Tourism Regional Authority

QIZ Qualifying Industrial Zone RJ Royal Jordanian Airlines

RSICA Red Sea Institute of Cinematic Arts RSS Jordanian Royal Scientific Society SAP Structural Adjustment Programs

SEZ Special Economic Zone



SIYAHA The Tourism Project (USAID)
SME Small and Medium Enterprises
TEAM Taba Eilat Aqaba Macro Zone

UN United Nations

UNDP United Nations Development Programme

UNICEF United Nations Children's Fund

UNRWA United Nations Relief and Works Agency

USAID United States Agency for International Development

UNWTO United Nation World Tourism Organization

USD United States Dollar



# MAP OF JORDAN

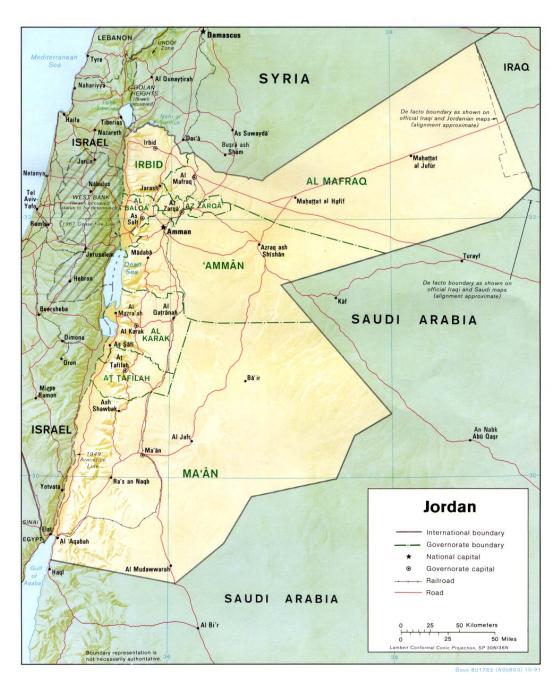


Figure 1 Geopolitical map of Jordan and its neighbours. www.al-bab.com



# MAP OF AQABA

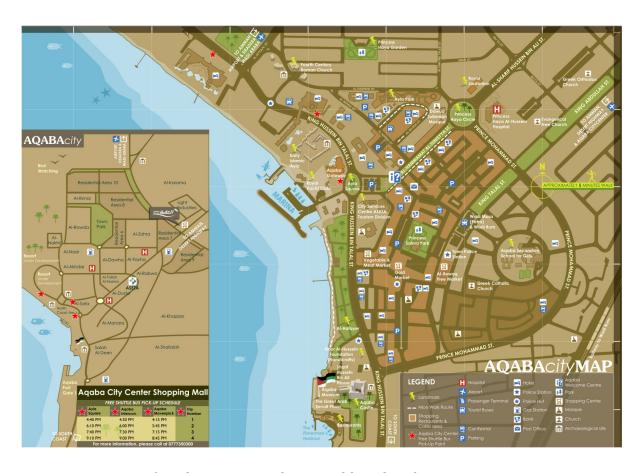


Figure 2 City map of Aqaba. Inset map lists neighbourhoods. http://aqabacitycenter.net/9.html



### SATELLITE IMAGE OF AQABA, JORDAN



Figure 3 Satellite Image of Aqaba. The image was captured from Google Earth in April 2013 however the image itself was taken after 2009 (as the Darab Project discussed in Chapter 5 is visible) before prior to Ayla Oasis flooding its lagoons in May 2012.

#### CHAPTER ONE

#### Introduction

#### 1.1 THE RESEARCH QUESTION

During a personal visit to Aqaba, Jordan in the summer of 2006, I could not help but notice the economic development that was beginning to take shape there –new international fast food restaurants, hotels, and Western-style shopping malls were cropping up throughout the city. Witnessing this development boom raised many questions for me, eventually leading the way to the crux of my dissertation research: How do the social and economic landscapes of Aqaba change as the physical landscape is altered due to the development-related expansion and how do these landscapes impact the negotiation and politicization of identity on both the residents of the city and the city itself? While I originally intended to look only at the impacts of tourism-related development, once in the field I soon realized that I needed to widen my approach and look at various forms of development currently underway in Aqaba, including residential, commercial, educational, and industrial as all of these are very much interconnected with the tourism development taking place in the city.

To explore this multi-faceted overarching question, I attempted to create an ethnographic portrait of the lived, socio-economic realities that the people of Aqaba are experiencing as their city transforms from seaside town to a "developed,"



world-class" city (ASEZA website). I explored what Aqabawis recognize as potential opportunities and/or possible problems of the various forms of development that is underway. I endeavored to understand how residents are currently using the spaces within the city and what these places mean to them and their families, along with how they envision re-negotiating these newly created spaces, primarily intended for visitors, for their own uses. Additionally, I felt it was necessary to situate Aqaba within the larger national and regional areas in order to better recognize and comprehend the potential impacts these types of development agendas might have. These avenues of inquiry will each be presented and discussed in greater detail throughout the body of this dissertation.

I first traveled to Jordan in the summer of 1997 as an excavator on the archaeological dig, the Roman Aqaba Project, sponsored by North Carolina State University. I returned for three subsequent summers, 1998, 2000, and 2002, as the project photographer and visited as a tourist in the winter of 2002. In 2005, I undertook my Masters research examining how tourism shapes the Jordanian identity through the commoditization of hospitality<sup>1</sup>.

One particular finding stemming from this research both intrigued and concerned me. The main form of tourism throughout Jordan is cultural tourism, focusing on archaeological and heritage sites. However, Aqaba and the surrounding area take a noticeably different approach to tourism, concentrating on beach and adventure tourism (Cavanagh 2006). Aqaba does possess several spatial factors

<sup>&</sup>lt;sup>1</sup> This research was generously supported by the American Center of Oriental Research (ACOR), the Council of American Overseas Research (CAORC), and the Walker Institute of International Studies at the University of South Carolina (WIIS).



missing in other parts of the country that garner this type of tourism interest: the sun, the surf, and the sea (Crick 1989). But, the official marketing material of the city even goes as far as excluding the word 'Jordan' from its literature, perhaps in the attempt to distance themselves from the larger, problematic region of the Middle East<sup>2</sup>.

What does this then mean for the residents of Aqaba? Is their culture not worth sharing? Beach tourism tends to lead to a very specific kind of land use that often results in spatial and economic segregation. According to Lopez-Lopez, Cukier, and Sanchez-Crispin (2006: 367), beach related tourism activities "have a physical location that is 'out of touch' with the local population and …the prohibitive costs of these activities ensure segregation." As Aqaba is a mixture of beach and urban tourism, it must be noted that the physical and economic segregation occurs not only in beach locales but also in the urban centre, as they do overlap (cf. Feng 2008). Is the gaze of tourists, both international and domestic, being privileged by these newly created spaces or are Aqabawis re-negotiating these spaces in the formation of their identities?

#### 1.2 A SNAPSHOT OF PRESENT DAY AOABA

Although best known as an industrial port, the town of Aqaba (population est. 100, 000) Jordan has a history of being a quiet, Red Sea getaway for Jordanians, sailors, and intrepid travelers. Until recently its neighbours, Eilat in Israel and Sharm al-Sheik

<sup>&</sup>lt;sup>2</sup> One such regional issue that has negatively impacted the amount of tourists visiting Aqaba, as well as Jordan in general, is that of the Arab Spring. While this field research was completed before the 2011 events, I feel it is important to note the effects that it has had on the tourism development agenda within Jordan. A larger discussion of the Arab Spring can be found in Chapter Two, along with additional footnotes discussing its impacts where relevant.

in Egypt, have largely overshadowed Aqaba in terms of beach tourism. Aqaba has been an area marginalized from socio-economic development, because although it is Jordan's only access to the sea, the city was considered until recently a remote tribal outpost by most of the rest of Jordan. However, it is now poised to become one of Jordan's key industrial areas. In 2000, Aqaba and its surrounding area were set up as a special economic zone (Aqaba Special Economic Zone –ASEZ), increasing foreign private sector participation in the region through duty free, tax-advantaged and flexible regulatory operations. A push for increased development, specifically tourism development, came under the auspices of the Aqaba Special Economic Zone Authority (ASEZA)<sup>3</sup>, a self-regulating administrative entity, very much independent from the national government, with both public and private branches.

The vision statement of ASEZA declares that they want to make Aqaba a "world class business hub and leisure destination, enhancing the quality of life and prosperity of the regional community through sustainable development"... in addition to turning "the city and its environs into a driving force for the economic growth of Jordan and the entire Middle East" (ASEZA). ASEZA's original investment goal was to achieve USD\$6 billion by 2020 but they have already far exceeded this target. Currently, there is USD\$20 billion of committed investment in the Zone, over half of which is designated as tourism development<sup>4</sup>. The three main resort developments in the city centre of Aqaba include multiple luxury international hotels, water parks, golf courses, upscale shopping

<sup>&</sup>lt;sup>4</sup> The economic backing for these large-scale tourism-based projects is both domestic and regional, including Jordan, Lebanon, Saudi Arabia, and the United Arab Emirates. Aid for social development comes from primarily USAID.



<sup>&</sup>lt;sup>3</sup> An in-depth discussion of the formation and role of ASEZA can be found in Chapter Three.

and dining, and high-end private residences placed along canals and man-made lagoons, which will add close to 24 km of coastline to Jordan's existing beachfront of 27 km. In order to achieve this, many buildings have been torn down and close to a thousand households have been relocated about 8 km inland. In a very short period of time, the city has developed from a relatively isolated area with little in the way of foreign development, to one that has been 'invaded' by new and culturally different investment groups. As one ASEZA commissioner prophesized, in "the next three years, Aqaba will be a new city" (Luck 2008a).

#### 1.3 Research Design

In an attempt to understand the socio-economic and physical impacts that the proposed development would have on the identity of present-day Aqaba, it was necessary to explore how the people of Aqaba viewed tourism and its role in their futures. I wanted to uncover what the everyday citizens of the city saw as potential pitfalls and possible opportunities of the coming tourism development. I also sought to recognize how people were currently using the space of the city on a daily basis and what these places meant for them and their families. Moreover, it was important to understand how changes at the local level of Aqaba would potentially impact the rest of Jordan.

As such, I spoke with both federal and regional government ministers and employees. This helped me grasp the official plans and policies intended for Aqaba. I spoke with international, national, and local non-governmental agencies (NGOs). Through them, I came to better understand the programs put into place to help neighbourhoods and individuals cope with the changes taking place within their



communities and reshaping their city. Through the NGOs, I came into contact with several collectives that were working independently to take advantage of new economic opportunities that come along with increased tourism. For instance, one collective started up a store in the downtown, which sold items made by at-risk local women from recycled materials; while another collective, made up of glassbottom boat operators, was able to organize and create an officially recognized association in order to protect their investments and rights as small business owners. I also had the opportunity to speak with international, national, and local scholars and students. With them, I was able to explore some of the larger issues surrounding large-scale tourism development on a more theoretical level. With some students, I learned more about how the new tourism expansion affects their day-to-day realities and their future prospects. Further, I spoke with many business owners about what they thought the future of Agaba might or might not hold for them. Most importantly, I spoke with Aqabawis, not involved with the government or NGOs, collectives, or education. I wanted to see what they felt about the changes taking place, whether they thought these promised opportunities were meant for them or how they envisioned interacting with these new developments. Over the course of seventeen months (September 2008-June 2009 and January 2010-July 2010), with the generous support of a US Department of State Fulbright Fellowship and Critical Language Enhancement Award, I asked questions and, perhaps more importantly, listened to what the people of Aqaba and Jordan, along with a other few outside interested parties had to say about the development currently underway in Agaba.



#### Defining the Aqaba Community: Cultural Consultants<sup>5</sup>

Having spent a considerable amount of time working in Aqaba over the past 13 years, I have been able to develop and maintain several contacts, including Aqaba families who were facing the threat of displacement, people working within the tourism sector, local Aqaba business owners, anthropology of tourism professors at Yarmouk University (located in northern Jordan), tourism professors at Aqaba College, urban planners, ASEZA officials, and MOTA officials, who were willing to act not only as cultural consultants for my research, but also as facilitators and gatekeepers, introducing me to others who were interested in sharing their concerns and experiences.

#### Methodological Approaches

In order to explore the interpretive experiences surrounding the political economy of mixed urban development, I employed a multi-scalar approach to data collection, drawing on participant observation, discourse analysis of archival and media sources, semi-structured and unstructured interviews, ethnographic mapping, and roundtable discussions between a variety of members that make up the Aqaba community (neighbourhood residents, business owners, and policy makers). As identity is made up of "the scraps, patches and rags of daily life" (Bhabha 1994: 145), these methodologies helped me to develop a more emic understanding of the day-to-day activities of this community and how they perceive the changes occurring within their community to affect their identities. In addition, I

<sup>&</sup>lt;sup>5</sup> This is a phrase borrowed from Kimberly E. Simmons, who uses it in her dissertation *Reconfiguring Dominicanness: Competing Discourses Surrounding Race, Nation, and Identity in the Dominican Republic* (2002). I feel this term best describes the role of those who inform and guide me during the research process.



drew on a gendered approach throughout my data collection and analyses, recognizing that the make up of the Aqaba community is not homogenous. A gendered approach to research attempts "to go beyond conventional representations and interpretations of globalization... [which]...pay little attention to attendant global/local restructurings of social, cultural, racial, ethnic, gender, national, and familial identities, roles, and relations" (Marchand and Runyan 2000: 1).

Having obtained Human Subjects Review approval from the Institutional Review Board (IRB) at the University of South Carolina (USC), I informed all participants of my role as researcher within the community and of my commitment to privacy and issues of confidence. All recordings have been made available to the participants involved and I will also make my research findings available to the larger Aqaba community through presenting any published material deriving from this research to the Binational Fulbright Commission in Jordan, American Center of Oriental Research (ACOR), ASEZA, Aqaba Community and Economic Development program (ACED), USAID, Aqaba College, and Yarmouk University.

#### Participant Observation, Interviewing, and Ethnographic Mapping

My core methods of data collection were that of participant observation (cf. Berg 2001; cf. Bernard 1995), semi-structured interviewing (cf. Berg 2001; cf. Bernard 1995), and ethnographic mapping (cf. Berg 2001; cf. Bernard 1995).

Interview topics derived from participant observation, the analysis of images of Aqaba, mapping, and informal conversations. Through the interviews, I sought to better understand the role of socio-economic factors (such as, age, gender, ethnicity,



income level, education, and religion) and community attachment (for example, length of residence in Aqaba, how many family members or friends live in the same area, if they were born there, membership in community organizations, and homeownership) (Harrill 2003) in relation to the perceived implications of the development planned for the city.

When in Aqaba, I resided with a family living in an apartment community that had been slated for relocation.<sup>6</sup> This allowed me the opportunity to better get at what the perceived implications were for the social networks of the residents of this neighbourhood –and therefore, an idea of what other communities may face with their displacement to the periphery of town due to resort, lagoon, and condominium construction. For example, in early 2010, hundreds of families underwent development-induced displacement in Aqaba and while the government, in many cases, offered new apartments in exchange for their older ones, there is much criticism over the methods used in determining who received new homes and how the transition was made<sup>7</sup>. The policy makers still do not acknowledge how the relocation has resulted in the breakdown of this impoverished, yet well-established community.

<sup>&</sup>lt;sup>7</sup> The neighbourhood of South Shalalah and the issues surrounding the move to Al Karamah will be discussed in Chapters Four and Five.



<sup>&</sup>lt;sup>6</sup> The possibility of relocation was initially introduced to residents in 2006 but as of early 2010, this area is no longer scheduled for relocation. However, residents in the area have not been widely informed of this. It was through an interview with an ASEZA official that I learned of this change. Further discussion of this situation can be found in Chapters Four and Five.

In addition, I wanted to learn more about the anticipated impact of the large-scale urban mixed-use development on the local identity in relation to public versus private space in the city. One such example is that of access to the beaches. Resort development in Aqaba has already drastically reduced the amount of free, public access beaches in town. Even at the most economically priced resorts beach access with cost local residents approximately 40 Jordanian Dinar (JD)<sup>8</sup> per person on weekdays (and higher on weekends) and to use the new free public beach Aqabawis must travel approximately 10 km south of the city, that is about 7 JD in taxi fare, as most families do not have their own cars. A small section of beach closer to the city centre has recently been cleaned up, although many people complain that are not enough benches to sit on or covered areas to sit under (see Figure 5.14). Women typically do not go in the water and prefer to sit at tables in the shade while their families enjoy the sea (personal communication 2009, 2010).

Another example of public space becoming private is seen through a former children's park, once located directly beside a mosque, which has been developed into several multi-national fast food chain restaurants (one with an outdoor playground) and a gym/spa. While these places are accessible to the local population, the price of eating at one of these restaurants is prohibitive for many Aqaba families. The average salary of a middle class Jordanian family is about 650 JD a month<sup>9</sup>, or about 160 JD a week (Azzeh 2010). With the average family size at

 $<sup>^{8}</sup>$  At the time of writing, 1JD = 0.709 USD making 40JD = 56.38 USD

<sup>&</sup>lt;sup>9</sup> It is worth noting that this national monthly average figure seems quite high compared to what people informally reported to the author during personal communications. Generally,

about 6 people (Azzeh 2010) and the average fast food individual meal costing about 5 JD, a family meal out runs about 30 JD, which is about 19% of their weekly salary. Given these examples, among many others (outlined in Chapters Four and Five), of the privatization of public space, it initially appears that the interests of tourists and wealthy Jordanians are being privileged by these newly created spaces leaving Aqabawis in a challenging position to re-negotiate their uses of these spaces.

In order to capture an understanding of the potential economic impacts of tourism development on the city, my investigation also included local business owners. I have known some of these business owners for over 10 years and have on occasion helped out in their shops and was able to do so again witnessing first hand some of their concerns. An over-arching theme I explored was how Agaba's economy deals with changing consumption patterns of tourists and relocated citizens. In other words, how will the local businesses deal with tourists remaining in the foreign-owned tourist enclaves instead of contributing to the larger city's economy, such as in locally-owned restaurants and local markets? How have they dealt with whole neighbourhoods being relocated and, as a result, no longer shopping for their everyday needs at the same stores? As well, I explored if new industries, either formal or informal, had developed as a result of this increased tourism and their impact on the larger community. For example, recently local fishermen have been giving up fishing for operating glass-bottom boat tours, which are popular with the tourists. What does this mean, then, for the local and national fishing industry?

most people I spoke with in Aqaba told me that their monthly salaries were between 250-300JD and that they were also single income families.



In 2006, at the request of USAID and ASEZA, a rapid needs assessment study of Aqaba was undertaken and two key recommendations came out of it. First, "enhancement of community engagement & participation is needed to 'bridge the gap' between government and local communities" and the second, that "communities and government need a forum to jointly discuss development issues, particularly given the tension between the community and ASEZA" (CHF International 2006: 19). According to Reid and Schwab (2006), community involvement has largely been token with regard to development in Jordan, with few real opportunities for locals to be consulted on what they would like to see in their neighbourhoods. Therefore, armed with the concerns and perceptions raised by community members and business owners through the various methodologies being utilized, I intended to address these issues with policy makers, such as the Jordan Tourism Board (JTB,) Ministry of Tourism and Antiquities (MOTA), and ASEZA by means of semi-structured interviews.

In addition to participant observation and interviewing, I employed ethnographic mapping (both cognitive and physical) as a research tool in order to better understand sociospatial experiences of community members (cf. Mounajjed et al. 2007; Oliver-Velez et al. 2002). Cognitive mapping involves the cultural consultant geographically recording his or her memories, ideas, practices, and perspectives of a particular place – in this case, Aqaba. Although no two are alike, cognitive maps provide insight into the importance of the geographic spaces of a community that people like or dislike, visit often, deem important, consider underused, etc. Comparison of maps all drawn by people living in a particular part of



the city may help bring about better understandings of how people view and experience the space around them. As Mills (2008: 386) points out, "memories of place mediate contemporary cultural politics". Physical mapping involves walking around a neighbourhood or city, with the cultural consultant choosing to talk about places and spaces that are of importance to them. Often, the places that are discussed and hold the most importance are those that are no longer there. I used this mapping technique as a way of locationalizing identity by taking into account political and economic processes while discussing shifting material and ideological landscapes in Aqaba.

I also drew on the online community within Aqaba, both bloggers and social networkers. It is on Jordanian blogs<sup>10</sup> that I initially got a feel for how citizens of both Aqaba and the larger Jordanian community view what is taking place. For example, one blogger commented

If i want to watch a movie at the cinema, I can't, there isn't a single cinema here, If i want to buy a book I can't, there are no book stores here, If i want to see some art I can't, no art galleries in Aqaba, I say screw us worthless Aqaba citizens, think of the poor tourists for god's sake, at least build a modest cultural infrastructer for them even if its just for showing off, If we're doomed to live in ignorance thats fine, but don't punish the toursits with us also eh? [sic] (Bakkouz 2006)

This echoes the sentiment of Said who queried, "Don't you wish you could wake up one day and read that plans are afoot to build a great Arab library instead of a new hotel?" (1994: 229). The social networking site Facebook also added to the Aqaba

<sup>&</sup>lt;sup>10</sup> According to http://jordanblogs.com/, in early 2011 there were close to 500 Jordanian bloggers Of course, not every Jordan blog is relevant to this research, so in the end, I followed 8 blogs weekly while visiting another 5 or 6 only bi-weekly.



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community. There are numerous Facebook pages dedicated to Aqaba, with followers posting messages, photographs, and videos daily. Here I was able to see what followers were discussing about Aqaba. By initiating online conversations on these pages, I was able to talk to a wider array of Aqaba citizens from very different backgrounds than I would have otherwise.

#### Notes on Language Access, Transcription, and Transliteration

My Arabic language speaking and listening abilities made it possible to move around with relative ease throughout the country and interact with Arabic-speaking Jordanians on a variety of topics and issues using Modern Standard Arabic (MSA). However, when conducting in-depth interviews or attending local NGO meetings – where multiple people were speaking at once, often using colloquial speech rather than MSA—I relied on native Arabic-speakers with proficiency in English to translate for me. English is commonly spoken as a second language in Jordan, especially in Agaba -a tourist destination relying on foreign tourists. Additionally, I employed a Jordanian native Arabic-speaking research assistant who was a certified Arabic-English translator for reading Arabic-based blogs and other social media, translating newspaper articles, and transcribing and translating several interviews I conducted in Arabic, where I relied on my own language skills, without a translator present in order to get a more nuanced understanding of the subjects' words. I also was fortunate to develop a close friendship with the administrator of an Agababased Facebook page. This Jordanian-American woman is a retired international journalist and author who was very generous with her time, insights, and language skills, helping me with both language and cultural translations. When quoting



cultural consultants throughout this dissertation, any direct quotations, which were originally made in Arabic will be noted.

I have included the use of transliterated Arabic words throughout this work, which are marked by italics. Any proper nouns that are commonly written in English, like place or company names, I have used the generally accepted spellings.

1.4 Theoretical Perspectives

In the attempt to make sense of the how social, economic, and physical landscapes shape the everyday lives of Aqabawis and the ways in which people see their possibilities shifting as government and private industry restructure their communities, I draw on tripartite lens of landscape, identity, and tourism, which I see as mutually informing pieces of a constantly shifting puzzle.

#### <u>Defining Landscape</u>

This research centres around the idea of *landscape* –the drastically changing physical landscape of the city of Aqaba; the social landscape that shapes the community of Aqaba; and the economic landscape, which provides for the residents of Aqaba –and how these multiple environments help to negotiate and locationalize identity. I draw on Appadurai's (1996) concept of the suffix "-scapes" to situate this question. The use of "-scapes", when combined with his prefixes of ethno-, media-, techno-, finance- and ideo – offers a framework for understanding that the relationships between these dimensions are not equal "but rather that they are deeply perspectival constructs, inflected...by the historical, linguistic, and political situatedness of different sorts of actors" including those at the macro level of nation-states and multinationals as well as at the micro level of "face-to-face groups, such as villages, neighborhoods and families" (Appadurai 1996:



33). Further, these various "-scapes" suggest an alternative spatial rendering of the present, one that is not "fixed" as landscape is typically thought to be, but which are of various sizes, amorphous, and fluid. As Appadurai (1996: 33) suggests, they are the "building blocks" of contemporary imagined worlds. Using the landscapes of a particular place (in this case the social, economic, and physical landscapes of Aqaba) as texts illustrates how social differences within a community, be it class, ethnicity, gender, age, or other markers, are continually renegotiated and help to enact identity.

I would also like to draw attention to the concepts of 'space' and 'place' discussed throughout this dissertation and note that they are not used interchangeably. 'Space' refers to an actual physical, geographical location, either within a neighbourhood, city, or nation. The notion of 'place', however, throughout this dissertation is referencing a space that has been imbued with cultural or social meanings by a person or people. Mills (2010: 86) explains, place "becomes significant as a cohering space for cultural politics that sustain or challenge power relations". Space transforms into place when individuals and communities attach meaning to it.

When exploring issues of identity, one needs to acknowledge that identity, be it at a national, city, or individual level, is both political and locationalized. Using a multiscalar approach in both my methodology and theoretical framework, this research explores identity at a national level in order to situate the smaller city identity before understanding its relationship to the individual. I draw on Benedict Anderson's (1991:5-7) concept of "imagined community", where he suggests that a nation's identity is imagined because the citizens will never know most of their fellow-members, yet in

the minds of each citizen lives the image of their relationship. Further, he claims it is imagined as a community because it is conceived as a deep, horizontal friendship.

Drawing on this national idea of 'imagined communities', I am able to explore issues of community identity/-ies on a micro scale – that of a city's community identity.

A city is a "cultural and sociopolitical manifestation of urban lives and experiences" (Low 1996: 383) and the identity of a city is a process rather than a static entity. It is a social space produced through complex power dynamics (Lefebvre 1997), including people from varying class, occupation, gender, age, political or religious beliefs, and experiences. These microenvironments all contribute to the larger 'imagined community' that its residents claim as their community identity. However, it is not only local factors that help to shape this identity. Global forces also work to reshape the identity landscapes of a city, sometimes resulting in the identity shifting –becoming deterritorialized, causing the local population to "constantly [redefine] the local according to the global" (Appadurai 1991: 191).

At an individual level, identity can be explored through its relation to location. Identity is formed and experienced in terms of space and place. As Mills states, "identity is created in the spaces we live in every day" (2006: 441). Mills (2008: 385) further suggests "the role of place sometimes supersedes the role of the state in processes of ...identity formation" because "memory and narrative are always grounded in locality, the relationship to place is constitutive of identity" (2008: 396) According to Ghannam (2002), being rooted in a particular place is significant and central to the representation of the self and the formation of identities. Nagel (1994: 156) echoes this and states "identity is ... circumscribed by



the categories available at a particular time and place". Further, Rotenberg (1996) contends that a city's identity helps to structure residents' experiences and that urban identity is set in place and time. But when residents of a particular area find themselves forcefully uprooted from their place in the city, their sense of understanding of who they are and where they fit into the cultural and social landscapes are challenged, becoming unwanted people<sup>11</sup>. Cultural citizenship<sup>12</sup> is not merely a legal or political category. Rather, it is an interactive process –more often reactive on the part of the marginalized –of forming subjectivities (Ong 1996). In order to understand urban space and how ideas of belonging are negotiated, one must draw on the knowledge of the people who live and experience it (Rotenberg and McDonogh 1993), along with examining how the policy makers situate the official local identity.

#### **Developing Tourism**

Tourism provides a lens through which to explore how memory, culture, and identity are experienced in that tourism highlights the tropes and metonyms of the idealized local culture, informing both tourists and local residents of the dominant discourse surrounding the identity put forth by policy makers. However, this official narrative does not necessarily reflect the experienced reality. This dissertation

<sup>&</sup>lt;sup>12</sup> The term 'cultural citizenship', as coined by Renato Rosaldo, refers to the demands of marginalized groups for full citizenship regardless of their class, cultural, or linguistic knowledge. This concept has been expanded upon by Aihwa Ong, who defines it as the idea of citizenship being determined by often conflicting ideas from both the nation and its people. Ong (1996: 738) argues that Rosaldo's understanding examines only "one side of a set of unequal relationships" and suggests cultural citizenship cannot be unilaterally constructed without the state defining its concept of 'belonging'.



<sup>&</sup>lt;sup>11</sup> In Chapter Five, this idea of 'unwanted people' will be more fully explored within the context of Aqaba.

examines tourism vis-a vis development in order to understand how it is playing out in Aqaba.

Recent tactics of the tourism industry are to construct 'authentic' displays of local, ethnic identities to appeal to the senses of tourists' imagined destinations and in turn bolster their economies via tourism dollars. However, 'authentic' ethnic identity constructed by tourism boards and manufactured in tourism sector advertising campaigns do not often represent the reality of the community's identity constructed by the local people themselves. In other words, citizens experience a sense of disjuncture from their own communities. Therefore it is vital to recognize the role that tourism development plays in the creation and negotiation of the local community in order to better grasp the lived realities they face.

Pattullo (1996) asks a simple, yet vital question surrounding tourism development: Who benefits from this growth? The tourism industry is largely under the control of multi-national corporations, such as hotel chains, tour companies, airlines, and restaurants. This foreign control of tourism-related industries often leads to what is referred to as 'leakage'. Leakage is the proportion of import expenditures to export earnings. In other words, how much must the destination country spend on importing the goods and services needed to support tourism related activities? For example, Pattullo (1996) claims that the Caribbean as a whole loses between 70% to 90% of every dollar earned from tourism. Another leakage study conducted in Thailand suggests that 70% of all money spent by tourists did



not remain in the country<sup>13</sup>. Countries that are able to utilize local goods and services have a much lower leakage rate and this practice is referred to as 'linkage' – directly linking the tourism industry with the local economy. This research explored the perceived amount of money needed to stay in Aqaba in order to benefit the local population.

Another economic factor that was explored is employment opportunities. While tourism increases employment levels in an area, much of this work is seasonal, wages are low, and there is very little job security or opportunity for advancement. Tourism does also provide indirect employment, such as with taxi companies, small hotels, restaurants, and retail stores. While many local residents or domestic tourists may utilize these services, they still remain heavily dependent on international tourism.

It is necessary, though, to look beyond the question of 'does tourism lead to economic development'? Perhaps the more important question here is 'will tourism improve the quality of life of local community members?' The social impacts of tourism development have been explored extensively within the social sciences (cf. Andereck 2005; Brunt and Courtney 1999; Cabezas 2004; Feng 2008; Harrill 2003; Mansfield 1992; Pattullo 1996; Perez 2005; Tisdell and Roy 1998). Some of these impacts include an increase of crime, prostitution, and drug trafficking. To be fair, it is difficult to determine which of these social impacts derive from tourism versus other global influences, notably the spread of Western popular culture and consumer values.

 $<sup>^{13}</sup>$  This figure was reported by the Thai Institute for Development and Administration in 1990. It was quoted on the UNWTO website.



A key social impact of tourism on local populations explored through this dissertation is that of displacement. Modernization and economic development agendas affect more than just the economy, rather its impact on both individual and social human capital is immense (Schuh 1992: 57). Modernization and economic development agendas, such as factory-based QIZs and SEZs are often established close to urban centres to allow for easier access to employees but at the same time require vast amounts of land, ranging anywhere between 50 hectares to upwards of 1000 hectares. The need for land to build factories for employment opportunities generally results in the forced displacement of the local population, who are already economically and socially disadvantaged.

Infrastructure development often leads to the relocation of local residents, breaking down social relations, leaving them without transportation from their new living area to their jobs, and no access to land for gardens, small-scale farming, or other economic opportunities. In the case of one neighbourhood in Aqaba, it meant an initial lack of affordable transportation, which resulted in a reduced access to schools, places of employment, places of worship, food markets, or leisure areas.

The three main resort developments in the city centre of Aqaba include multiple luxury international hotels, water parks, golf courses, upscale shopping and dining, and high-end private residences placed along canals and man-made lagoons, which will almost double the amount of Jordan's existing coastline to 51 km. As mentioned previously, Aqaba's development is a mixture of resort and urban tourism, and it must be reiterated that the physical and economic segregation



occurs not only in beach locales but also in the urban centre, resulting in a space from which local people, while not officially, are effectively prevented from enjoying.

In order for the government and private developers to achieve their plans many local people have already been displaced. Neighbourhoods located on prime real estate in the city, next the downtown market and high on a hill overlooking the Red Sea, have been relocated to the outskirts of the city. This land, which was occupied by some of the poorest people in Aqaba, sat adjacent to and partially under a mega-project tourism development site. As Guggenheim and Cernea (1993: 10) assert, "resettlement is social change" that raises "questions about power, community, growth, equity, culture, and justice".

### 1.5 Summary

I have approached this research on multiple layers in order to develop a more complete snapshot of what has been taking place in Aqaba; to foster a better understanding of how the people of Aqaba view their realities changing due to this large-scale tourism development. The first part of this dissertation serves to situate the reader within both Jordan and Aqaba. Chapter Two takes a macro perspective, providing an overview to socio-economic and political structures of Jordan along with introducing the foundation of Jordanian economic development. Chapter Three shifts to a more micro perspective, situating Aqaba within the national context, looking at the city both historically and in the present day, specifically examining the role and impact of ASEZ and ASEZA. This chapter also explores the importance of tourism within the city. Part Two of the dissertation considers concepts of space and place, along with discussing how the physical landscape of the city is being reshaped



by the economic (Chapter Four) and social (Chapter Five) landscapes of Aqaba. In each chapter, I provide an overview of the various development projects planned by ASEZA that correspond to each category, along with ethnographic narratives that illustrate the real and perceived impacts of this development on the local population. Chapter Four provides an exploration of both potential and realized economic opportunities, along with the real cost of such development. Using the Dubai Model Social, changes to the fabric of the city and individuals are discussed in Chapter Five. The conclusion, Chapter Six, serves to remap Aqaba both in terms of space and identity. It is also here that I revisit the key issues stemming from tourism-induced development, along with attempting to forecast what these changes hold for Aqaba and its citizens and consider the possibilities for future research within the city.



# CHAPTER TWO

# SITUATING JORDAN

The Hashemite Kingdom of Jordan is a relatively small constitutional monarchy (89, 213 sq. km) located in the heart of the Middle East and shares its borders with Israel, the West Bank, Syria, Iraq, and Saudi Arabia (see Figure 1). Unlike much of the region, Jordan has little in the way of natural resources, aside from phosphate and potash, making it heavily dependent on foreign assistance. Perhaps Jordan's greatest resource is its people with a population of approximately 6.5 million (CIA) Factbook 2012), most of which is literate and well educated. However, high rates of unemployment<sup>14</sup> have encouraged nearly one quarter of the workforce to go abroad, primarily working in white-collar positions (Zagga 2006:11). The Jordanian economy is dominated by the services sector, with healthcare –earning USD 2.24 billion in 2011 (Business Monitor International 2011) and tourism being the most profitable. This year has seen a slight increase in tourism revenue (USD 1.7 billion in first eight months of 2012) over last year during the same time frame (USD 1.4) billion) (Malkawi 2012), giving hope that Jordan's tourism industry is one that can weather recent domestic and regional instability. This industry draws heavily on promoting the diverse geography and vast cultural history of Jordan.

<sup>&</sup>lt;sup>14</sup> The national average unemployment rate during the last quarter of 2011 was 12.1%, although nearly 15.5% unemployment during the same period for those holding a university degree according to Jordan's Department of Statistics (www.dos.gov.jo)



# 2.1 Before Jordan

Although Jordan, with its current geo-political boundaries, is a relatively young country but it has an impressively long and complex history situated in an area that has been inhabited for over 500,000 years. Many of these historical sites, which have survived through the millenia, serve as key attractions that pull visitors to Jordan. For example, evidence of some of the earliest known permanent settlements from anywhere in the world, along with the domestication of plants and animals has been found in the Jordan Valley, near the Dead Sea (Kujit and Finlayson 2009). This area flourished during the Neolithic Period (8500-4000 BC), with evidence of several large villages –ranging between ten to fifteen hectares in size – including Jericho, one of the first locations wheat is known to have been domesticated (Shoup 2006).

Climate change encouraged a shift from agriculture to raising livestock, such as sheep and goats, and supported a more nomadic lifestyle of the people in the region. During the Bonze Age (3100-1200BC), the southern region of modern-day Jordan was used almost exclusively by nomadic pastoralists. It was also at this time that several local kingdoms developed, such as Edom in the south, Moab in central Jordan and Rabboth Ammon in the north near present-day Amman between 1300-1200BC. Much of the Old Testament activity took place during the Iron Age (1200-530BC) in and around these kingdoms and provides a plethora of sites for Biblical tourists exploring the region.

The close of the Iron Age was marked by the arrival of the Nabateans in the late  $7^{th}$  and early  $6^{th}$  centuries BC. This period, known as the Persian Period, was



relatively short lasting only about 200 years. Alexander the Great conquered the Persian Empire in 333 BC, which ushered in the Hellenistic Age (333-64BC) and the region was deeply impacted by Greek influence. Ammon was renamed Philadelphia and the Decapolis was founded. The majority of the Decapolis, a confederation of Greek cities that shared economic and cultural interests, was located in modern-day northern Jordan. The Nabateans continued to thrive in the south during this time and became firmly established as traders, with Petra as their capital city, and dominated trade between southern Arabia and the Mediterranean.

Roman ruler Pompey conquered the areas of Jordan, Syria, and Palestine in 63BC, inaugurating 400 years of Roman rule. The cities of the Decapolis once again had their names altered and some became even more architecturally impressive, with Jerash (an hour north of Amman) reportedly being the most spectacular provincial city in all of the Roman Empire and is among the most popular tourist destinations in Jordan today. In southern Jordan, the Nabatean Empire eventually fell in 106, when Emperor Trajan took control over this region. The *Via Nova Triana* (the New Trajan Road) was completed in 111, starting in Aila (current-day Aqaba) and extending through to the southern Syrian city of Bosra. The King's Highway, the main highway in Jordan today, loosely follows this same road nearly 2000 years later.

The Byzantine Empire in Jordan produced a plethora of impressive church mosaics which remain largely intact today, including those found at Mount Nebo, Madaba, Jerash, and Petra. At this time the region was predominantly Christian and Jewish, however many of the nomadic peoples –the Bedouin (who remain in the



area until the present), had united under the common faith of Islam. The Prophet Mohammad led an expedition to the region in 629 and established treaties with the Christian leader of Aqaba and the Jewish leaders in three southern cities.

The Islamic period can be broken down into several empires, influencing not only religious beliefs in the region but also impacting the language, architecture, and economy of Jordan. The Ummayad Empire (661-750) produced what are known as the Desert Castles in northeastern Jordan and the Dome of the Rock in the former Jordanian city of al-Quds (Jerusalem). By 1096, Jordan once again became a key player in the region with the start of the Crusades. Christian forces took Jerusalem and established a kingdom there. In order to protect the city, the Crusaders built a series of fortresses straight down the middle of Jordan, including those at Karak and Shobak, in 1516 by the Ottoman Empire, which controlled the region until 1918. Toyday, these castles draw thousands of tourists each year.

In 1516, the Ottoman Empire took control of the region and maintained control until 1918. However, it was not one of cultural or economic boom to the region now known as Jordan. Primarily, this area was viewed in terms of its importance as a pilgrimage route to Mecca. Most new infrastructure was designed with a religious function in mind, including schools, hospitals, baths, orphanages, and even the Hijaz Railway, which was built in 1908, was largely intended to transport pilgrims between Damascus, Syria and Medina, Saudi Arabia. The nomadic Bedouin, however, continued to live a similar lifestyle as they had for many hundreds of years. The Great Arab Revolt (1916-1918) eventually led to the downfall of the Ottoman Empire and the creation of modern Jordan. In 1916 with



the backing of British Empire, Sharif Hussein of the ruling Hashemite family of Hijaz<sup>15</sup> and Mecca declared independence from the Ottoman Empire.

2.2 JORDAN: THE NATION

Jordan has been continually inhabited since as early as the Paleolithic period, along with having many of the early great civilizations (Greek, Roman, Nabataean, Ummayid, Ottoman) contribute to the history and identity of this region. However, it was with the decline of the Ottoman Empire, World War I and British colonization of this region that much of the Jordanian national narrative is derived, although little from this early 20<sup>th</sup> century period has been developed into tourist attractions.

During World War I, the Ottoman Empire sided against the Allies. Sharif Hussein (Emir of Mecca) saw this as an opportunity to create an alliance with Britain in an attempt to liberate the region from Ottoman rule<sup>16</sup> and create a unified kingdom for the Arabs. With support and promises from Britain, Hussein and his two sons, Abdullah and Faisal, launched the Great Arab Revolt (1916-1918), which led to the demise of the Ottoman Empire. Near the end of 1918, Faisal set up an independent government in Damascus, however his demand for Arab independence at the 1919 Paris Peace Conference was met with rejection from the colonial

<sup>&</sup>lt;sup>15</sup> Hijaz is the former name of Saudi Arabia. In 1924, Sharif Hussein's authority over the Hijaz was toppled by Ibn Saud, who later renamed the area the Kingdom of Saudi Arabia. <sup>16</sup> After the Young Turk coup in 1908, the Ottomans abandoned their pluralistic and pan-Islamic policies in an attempt to create a secular Turkish nationalism. As a result, the formerly tolerant Empire began to openly discriminate politically, culturally, and linguistically against its non-Turkish inhabitants.



powers. While they were successful in ending the Ottoman rule in the Levant<sup>17</sup>, the Hashemites soon realized that they would not be ruling an independent Arab nation.

The newly founded League of Nations, divided up the area into mandates and protectorates and awarded them to France (Syria and Lebanon) and England (Palestine and Iraq) under colonial rule, although France had to take Damascus by force, removing King Faisal<sup>18</sup>. Britain had divided their area into three administrative districts, each with an appointed British advisor. In the end, Britain decided to make Abdullah the 'autonomous' ruler of all three districts, which were collectively known as Transjordan (meaning 'across the River Jordan') and in 1921, Emir Abdullah established the first centralized governmental system in what is now modern Jordan.

With newly defined geographical boundaries, Transjordan began the process of controlling its image and defining unique characteristics of their population in order to become a 'nation'. Abdullah set up governmental institutions and attempted to guarantee the loyalty of Transjordan's new citizens by awarding land, political positions, and extravagant material goods to influential tribal leaders within the country. It is important to note that the idea of a Transjordanian nationalism (wataniyah) was not of utmost importance to Abdullah. Rather, he never gave up the dream of a pan-Arab nation. He was more concerned with eventually reigning over a

 $<sup>^{18}</sup>$  Faisal assumed the throne of Iraq in 1921, where his branch of the Hashemite family ruled until 1958, when King Faisal II and his immediate family were assassinated in a coup.



<sup>&</sup>lt;sup>17</sup> The term Levant refers to the geographical region and culture zone including most of modern Lebanon, Syria, Jordan, Israel, the Palestinian territories, and sometimes parts of Turkey and Iraq. It roughly correlates to the historic area of Greater Syria.

united Greater Syria, once stating, "I do not wish to see any among you identify themselves by geographic regions. All the Arab countries are the countries of every Arab" (Abu-Odeh 1999: 16); this sentiment of a pan-Arab identity (*qawmiyah*) was often echoed by a future King of Jordan, King Hussein, at politically opportune times (Cavanagh 2006).

In 1946, Transjordan was recognized by Britain as a fully independent state, changing Abdullah's title from emir to king and officially changing the country's name to the Hashemite Kingdom of Jordan. Between May 1948 and January 1949, great numbers of Palestinians fled to Jordan as a result of Ben-Gurion's proclamation of the establishment of the State of Israel and the ensuing war between Israel and Jordan. However, even though they had the option of full citizenship and political rights, no common or pan-Arab identity formed between Jordanians and Palestinians. The two national identities 19 had formed out of very different realities: one had slowly evolved around mainly positive circumstances and common issues, while the latter had developed out of negative circumstance, specifically while trying to preserve their own national identity against Israel and Britain (Khalidi 1977). After this war, Jordan remained in control of the West Bank, including the old city of Jerusalem (al-Quds) and Jordan extended citizenship and full property rights to all Palestinians who wanted it. In June of 1967, yet another war between Jordan and Israel broke out and resulted in the loss of the West Bank to Israel.

<sup>&</sup>lt;sup>19</sup> When writing about Jordan, researchers have tended to label 'true Jordanians' as those who were living within the Transjordan borders when it became a nation and their descendants. The term 'Palestinian' generally refers to those who were forced into Jordan in 1948 (after the first Arab-Israeli war) and their descendants<sup>19</sup>.

King Hussein promoted himself in many different ways: monarch, the keeper of a refuge for Palestinians, a secularist, a *shayk*, a descendent of the Prophet, politically modern to Western diplomats, and as a patriarch. The 1990 National Charter states that only the Hashemites and their legitimate male heirs could rule Jordan (Shryock 2001: 248). King Hussein often spoke of a Great Jordanian Family with him as the national father figure. Even twelve years after his death, Jordanians refer to King Hussein as the Father of Jordan in everyday communication. A Facebook entry on November 14, 2011, posted by a Jordanian national, attributed the quote in his 'status update', "My concern is not for me, but for Jordan, its stability, its progress, its democracy and its people." to the late King by stating "King Hussein I (King of Jordan, King of Our Hearts, Rest in Peace Our Beloved Father)" (Awad 2011).

Using terms like 'family' and 'homeland' in reference to Jordan, King Hussein also conjured up similar images of the Great Arab Family, when promoting *qawmiyah*, or pan-Arab identity. Drawing on his ancestry of his great-grandfather and grandfather, during speeches King Hussein often made reference to the Great Arab Revolt and talked about how he, as his forefathers, longed for a united Arab community under a Hashemite ruler (Cavanagh 2006). The desire to develop this pan-Arab nationalism could be seen in some of the attempted economic development schemes, although none ever really worked out<sup>20</sup>.

Where King Hussein was seen as the father of modern Jordan, his son King Abdullah II, the current King of Jordan, has taken on the role of older brother. In a

<sup>&</sup>lt;sup>20</sup> A discussion about one such failed development plan from the early 1990s, the Taba-Eilat-Aqaba Zone (TEAM) can be found in Chapter Three.



1999 speech, announcing that King Hussein had died, Abdullah stated: "To my one Jordanian family, Hussein was a father and a brother to every one of you, just as he was my father. You are my brothers and my sisters. You are my hope and consolation" (www.kingabdullah.jo). In subsequent speeches, he continues to reference the "one Jordanian family" and his "brother[s] and sister[s] in this dear nation" (www.kingabdullah.jo)<sup>21</sup>.

It is important to recognize the bedouinization of the national identity of Jordan since the 1980s<sup>22</sup>. At this time, some Jordanians began to put an emphasis on developing a unique Jordanian national identity in response to regional politics of the day. Although not everyone agreed, many Jordanians argued that Bedouin heritage and moral codes should be actively promoted in both politics and tourism (Layne 1989: 27). Today, the government of Jordan suggests that many characteristics of Jordanian society are derived from the Bedouin culture, which they claim as the "backbone of the Kingdom" (Government of Jordan 2005).

Nationalized Bedouin customs are seen to stand for a collective past that is idealized in the present, whether or not individuals consider themselves to be of Bedouin origin.

<sup>&</sup>lt;sup>22</sup> My 2006 Masters research explored how the Bedouin image is sold as the 'authentic' Jordanian identity and how it is commercialized in order to attract both regional and foreign tourists.



<sup>&</sup>lt;sup>21</sup> This imagined sibling relationship between the current monarch and the citizens of Jordan did not spare the country from Arab Spring uprisings. These protests, as will be discussed later in this chapter, did not play out as violently or with as much media attention as those in Egypt, Tunisia, or Libya.

The three kings of Jordan (the late Kings Abdullah and Hussein, and the current King Abdullah) have all been frequently mistakenly identified as Bedouin, thanks to popular culture, such as movies like *Lawrence of Arabia*, and the media. In fact, the Hashemites are not of Bedouin origin. However, this misconception serves as a national narrative for Jordan in that it provides a set of stories, landscapes, histories and images that act as representations of the shared experiences of the country.

### 2.3 Today's Political Framework

Jordan is a constitutional monarchy, which was established in 1946 and is currently ruled by King Abdullah II. The federal government consists of the Prime Minister who is appointed by the King, along with the Cabinet who is appointed by the Prime Minister after consultation with King. The legislative consists of a Senate, named the House of Notables (Majlis al-Ayan), which is made up of 60 members and are appointed by the King to serve four-year terms. The House of Representatives, or the House of Deputies (Majlis al-Nuwaab), consists of 130 seats<sup>23</sup> whose members are elected using a single, non-transferable vote system in multi-member districts to serve four-year terms.

The country is broken down into twelve governates: Ajlun, Aqaba, Balqa, Karak, Mafraq, Amman, Tafilah, Zarqa, Irbid, Jerash, Ma'an, and Madaba. Each of these twelve districts is further divided into smaller administrative sub-districts.

<sup>&</sup>lt;sup>23</sup> There used to only be 120 seats but in May 2010, an additional 10 seats were allocated to the House of Deputies, including 6 seats added to the number reserved for women, bringing the total to 12; 2 for Amman; and 1 seat each for the cities of Zarqa and Irbid. Other reserved seats, which remain unchanged are 9 seats reserved for Christian candidates, 9 for Bedouin candidates, and 3 for Jordanians of Chechen or Circassian descent. (http://www.kinghussein.gov.jo/government.html)



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Each governate is headed by a governor, who is appointed by the King through the Ministry of the Interior. The district government acts as the executive organization for carrying out cabinet decisions at the local level. These district governments are essentially an extension of the central government, and are supervised by the Ministry of the Interior. In contrast to the appointed district governors, mayors are elected. The only exception to this rule is the mayor of Amman, who is appointed directly by the King. Mayors supervise the day-to-day affairs of towns and cities, and grievances against mayors can be appealed to the Ministry of Municipal and Rural Affairs and the Environment.

The exception to this national organizational strategy is the governate of Aqaba, which has been restructured as a special economic zone known as the Aqaba Special Economic Zone (ASEZ). The semi-autonomous Aqaba Special Economic Zone Authority (ASEZA) is ruled by a Board of Commissioners, which is made up of six full-time members who are appointed based on recommendations by the Prime Minister for a fixed term. Further, this authority governs zoning, licensing, and other regulatory powers that distinguish it from the rest of Jordan. Additionally, ASEZA benefits from a much milder fiscal policy than that of the rest of Jordan (Kardoosh 2005).

#### 2.4 Role of Foreign Aid

Development, in terms of playing a significant role in the building of international relations, was brought about at the close of the Second World War in hopes of promoting global peace and prosperity. Searching for economic security, the 1944 Bretton Woods assembly created the International Monetary Fund (IMF)



and the International Bank for Reconstruction and Development (IBRD), which later became known as the World Bank. Initially, the focus of these two entities was to rebuild Western Europe but soon their focus shifted to the development of poor, non-industrialized nations – what was then known as the Third World. For the next sixty years international development policies, practices and aid have been primarily aimed at underdeveloped and developing countries. However, these policies, practices, and aid, as Bint Talal (2004: 4) points out, have "been accompanied by new conditionalities which have had an unprecedented effect on political processes" worldwide.

Aid during the 1950s was primarily intended to support governments' abilities to increase their roles and capacities as a way to encourage economic growth and stability. The 1960s saw development policies focusing on trade, improving upon agricultural technology, and introducing the early stages of the Green Revolution. By the 1970s, multi-lateral development agencies shifted their attention to improving upon basic needs, such as access to clean water, education, and healthcare as a way to curb poverty. Rather than assuming that aid would eventually reach those who needed it, the World Bank now expanded programs that encouraged combating poverty directly. Many of these programs held that poverty could not be reduced until the basic needs (water, education, housing, and health) were in place (Lateef 1995).

Kanaan and Kardoosh (2002) outline how Jordan has passed through four distinct transitions of economic development over the past 66 years. The earlier phases of development are referred to as the First and Second Periods. The First



Period began with the formation of the Kingdom in 1946 and lasted through to the war with Israel in 1967. International aid assisted with recovery from the first war with Israel in 1948, along with helping Jordan adjust to its increase in population due to Palestinian refugees being forced out of the newly formed state of Israel.

This influx brought a group of people with their savings, skills, and generally higher levels of education than Jordanians<sup>24</sup>. This created an immediate demand for housing, along with goods and services, encouraging the country to focus on building up its infrastructure in terms of public utilities and services, such as water, energy, transportation, communications, canals, dams, tourist attractions, education, and health. They also worked towards the development of the few natural resources readily available in Jordan: phosphates and potash from the Dead Sea. The policies and development projects put in place during this time helped Jordan to realize steady economic growth of 9% in the 1950s and 8% in the 1960s (Mazur 1979: 24). The agricultural sector was also a focus at this point because while it employed nearly one-third of the labour force it was surrounded by a lot of uncertainty due to challenging weather conditions. Development projects like the East Ghor Canal<sup>25</sup>, which remains the largest irrigation canal system in the Kingdom, and later the King Talal Dam helped to alleviate some of the uncertainty and to increase agricultural growth.

<sup>&</sup>lt;sup>25</sup> In 1987, this canal was renamed the King Abdullah Canal after King Abdullah I. The canal was designed in 1957 and implemented over several phases. Construction began in 1959, and the first section was completed in 1961. The canal was then 70 km in length but was later extended three times between 1969 and 1987. USAID provided financing for the initial



<sup>&</sup>lt;sup>24</sup> The British had a great deal of influence over Palestine and had brought a lot of structure to their civil service and education systems.

The growth experienced during this First Period faltered with the outbreak of the Arab-Israeli War in 1967, thus beginning the Second Period of economic development, which lasted from 1967 through to the mid-1980s. Jordan lost control of the West Bank, including eastern Jerusalem, which is estimated to have been responsible for nearly one-third of Jordan's GDP and 40% of their agricultural base, leaving them with only 6% of their redefined area as arable land and even fewer water resources (Kanaan and Kardoosh 2002: 4). Further, the loss of Jerusalem and the West Bank also took away valuable tourism revenue. Yet another fallout of this war included a second wave of Palestinian refugees entering a now smaller Jordan territory, some finding themselves having to start over for the second time in twenty years.

Increased amounts of regional Arab aid brought total foreign assistance to just over JD40 million in 1967/8, compared with an annual average of JD13.5 million between 1964 and 1966. Following the oil boom of 1973, the foreign aid averaged JD126 million per year between the years of 1974-78. Financial assistance to Jordan grew even more by 1980, where it averaged JD382 million per year for the next three years. The average GDP growth rate in real terms for the period 1974-82 was 11.6 percent, one of the world's highest during that period. Economic policy during this period continued with the approaches established in the previous pre-1967 period, by using official development assistance to bolster physical and human infrastructure and to lead investment in expensive resource-based projects in collaboration with the private sector. Further, Jordan continued the policy of

phase of project, after obtaining explicit assurances from the Jordanian government that Jordan would not withdraw more water from the Yarmouk than the amount allocated to it.



supporting domestic private sector investments by awarding lowered tariffs and monopolistic concessions. At the same time, they became more and more interested in attracting foreign investment and, in 1972, enacted an Investment Encouragement law for this purpose (Kanaan and Kardoosh 2002: 5).

Another source bolstering the economy during this phase was remittances from Jordanians working abroad. With the global price of oil tripling, the Arab Gulf became an attractive option for Jordanians and it is estimated that nearly 350,000 highly educated and skilled Jordanians, almost 10% of the population at the time, temporarily emigrated for employment during this boom (Metz 1989). In 1976, close to JD130 million was sent through the official banking system into Jordan. By 1984, this had risen to nearly JD475 million (Central Bank of Jordan 1996). In all likelihood, these figures are much higher when you take into account the amount of money sent back through informal channels and in the form of consumer goods<sup>26</sup>.

They made some advances in their role of providing financial, insurance, and professional services the region, attempting to take the place of Lebanon as it was embroiled in a civil war that began in 1975. However, these advances were admittedly limited because of poor infrastructure and high transaction costs.

Unfortunately, the agricultural and industrial sectors remained fairly stagnant during this phase. 1970 brought with it repeated droughts throughout each season but after a decade, this sector had begun to bounce back.

Although used since the 1950s, structural adjustment programs (SAPs) became the standard approach to development and lending in the 1980s. SAPs are

 $<sup>^{26}</sup>$  According to Metz (1989), the actual amount of remittances by the mid 80s was closer to JD 700 million or \$1 billion USD.



economic policies that countries must adhere to in order to qualify for a loan from the World Bank or the IMF. Although SAPs are designed for individual countries they have common attributes that include export-led growth; privatization and liberalization; and promoting the free market. Further, SAPs generally require countries to devalue their currencies against the dollar; lift import and export restrictions; balance their budgets and reduce spending; and remove price controls and state subsidies.

The IMF and its approaches to fiscal responsibility remains a controversial topic. As Ryan (1998: 54) suggests, "to some governments, it represents a key source of financial survival, to others a hated and powerful economic overseer akin to a thuggish loan shark". This negative image tends to be how many developing countries find the consequences of SAPs, in large part because of the "social and political costs associated with economic adjustment" (Ryan 1998: 54). The United Nations Childrens' Fund (UNICEF) reported in the mid 1980s that the SAPs of the World Bank were responsible for the "reduced health, nutritional and educational levels for tens of millions of children in Asia, Latin America, and Africa" (Cornia 1987: 35). By the mid 1980s demonstrations speaking out in opposition to these policies, often violent and sometimes resulting in deaths, were taking place throughout the developing world including Bolivia (1985), Jamaica (1985), Zaire – now the Democratic Republic of Congo (1985), Nigeria (1986, 1988, 1989, 1990, 1992), Sudan (1987), Ecuador (1987), Zambia (1987), and Venezuala (1989) to name but a few.



With the oil boom going bust in the mid 1980s, Jordan's economy began to clearly show that it was dependant on the regional economy and it soon found itself in a recession, quickly amassing a sizable foreign debt. The standard of living that had greatly improved during the 1970s and early 80s lowered quickly. In 1976, the per capita GDP was JD 777, by 1984 this had risen to JD 1201, and by 1990 it was back down to JD 860 and was accompanied by high levels of domestic unemployment, drastically lowered wages for those still working abroad, falling investment and an ever increasing deficit in the balance of payments. Between 1981 and 1988, the balance of payments shifted from a healthy surplus to an average deficit of JD90 million (Central Bank of Jordan 1996). A 1986 UNICEF-UDD report indicated that within a low-income area on Jordan, there had been a "noticeable increase in malnutrition [amongst children]...between 1981 and 1985, which may reflect a deterioration in living condition (Cornea 1987: 33).

In 1988, the country was unable to meet its debt obligations and soon after, the Jordanian Dinar was devalued as a way to reduce imports and make their exports more competitive. In order to repair the situation, it sought help from the IMF, who agreed to lend Jordan \$150 million to aid their economic restructuring, and followed their structural adjustment prescription, first reducing state subsidies.

Jordan saw two separate protests during its Third (mid 1980s-1991) and Fourth Periods (1991-1999) of international economic assistance during the 1980s and 1990s as a direct response to SAPs taking place there. The first, known as the Bread Riots, took place in April 1989 when the cities of Ma'an and al Tafilah erupted in riots over increased food prices shortly after an SAP was agreed to with the IMF,



which resulted in at least five protesters being killed by the police and another seven killed amongst the violence (Ryan 1998).

Seven years later, in August 1996, the removal of state subsidies on bread and animal feed resulted in the price of bread doubling and dairy products increasing in price by 20%, along with an increase in school fees. Riots broke out in the city of Karak and over the course of four days, more than 400 people were arrested. Although the government promised to try and reduce the dairy increases, the Minister of Information at the time, Marwan al-Mu'ashshir, stated the new bread prices would remain in place because "this decision was made in the framework of the programme of economic revival on which this government is based and in which it has confidence." (IPS Correspondants 1996).

Just a month before the 1996 protests, the World Bank had publically praised Jordan for its performance under these SAPs, specifically in its commitment towards correcting their economic problems and working towards sustained growth. The World Bank Vice President for the Middle East and North Africa, Kemal Dervis, stated Jordan's progress was substantial and that Jordan should be viewed as an example to the rest of the region. A key marker of this 'success' had been that over the course of several years in the early 1990s, Jordan had managed to reduce inflation and correct the budget deficit. Many argued that despite the effects of stabilization the economy had managed an average growth of close to 6% during this time frame (IPS Correspondants 1996).

This current phase also resulted in a great deal of privatization throughout the country. Since the mid-1980s, talk about privatizing the national airline, public



transportation, and telecommunications had been repeatedly taking place although nothing had moved forward past the stage of hiring consultants to explore the possibilities. In 2000, Parliament approved the Privatization Law (Number 50 of the year 2000) and the former "Ministerial Higher Committee for Privatization" was transformed into "Executive Privatization Council" as the organization responsible for developing privatization policy, identifying candidate enterprises and measures for privatization, and supervising the "Privatization Proceeds Fund". Similarly, the Executive Privatization Unit, which was established in 1997, evolved into the Executive Privatization Commission (EPC) to be in charge of implementing the privatization program and of managing the "Privatization Proceeds Fund". By the end of 2001, 51 enterprises had been either partially or wholly privatized although the proceeds from these privatizations did not exceed \$1 billion USD (Kanaan and Kardoosh 2002). After this initial burst of privatization, the process has slowed due to a variety of factors including worker, slow policy reform, weakened regional business climate, and an absence of bipartisan cooperation.

Other factors influencing the economy of Jordan during this Fourth Period was the outbreak of war between America and Iraq in 1990. Because Jordan didn't show clear support for either side of the conflict it suffered double the hardships. Jordanians were told to leave Kuwait and Saudi Arabia, reducing the amount of remittances and increasing domestic unemployment, putting greater hardship onto the government to supply services like health and education. Many of the other Gulf states reduced their economic ties with Jordan, affecting their export industry and access to economic aid and development assistance. Resulting from UN sanctions



against Iraq, one of Jordan's largest trading partners, higher shipping costs and more time intense inspections of cargo also impacted the economy. These sanctions resulted in a 75% reduction in the bilateral trade between Jordan and Iraq. Jordan soon realized just how dependent they were on trade with Iraq and finally the UN made an exception to these sanctions and developed a program called "Oil for Food", which permitted Iraq to import up to \$500 USD million of humanitarian goods each year in exchange for oil. Under this program, Jordan receives an annual oil grant of approximately \$300 USD million (this figure is dependant on the price of oil). This does not cover their needs and the remainder of the oil consumption is purchased under undisclosed terms. Yet another impact felt by the Jordanian economy from the American war with Iraq, was that revenue from tourism became all but nonexistent. An article in the Los Angeles Times from September 16, 1990 summed it best, "the 132-room Alcazar Hotel in Agaba has 132 vacancies this weekend, leaving owner William Sawalha ample time by the pool to consider his future" and that the "hotelier's pain is Jordan's pain is Agaba's pain... Tourism is dead on the tense Gulf of Agaba, retail business is drying up, and port activity is moribund." (Montalbano 1990).

While initially the influx of expatriate Jordanians returning home put stress onto the economy, it is estimated that they brought back with them an estimated \$719 USD million, along with acquired skills, a strong work ethic, and a new found sense of entrepreneurship (Kanovsky 1997). By the end of 1991, the GDP had grown by 2.6% and 1992 experienced an 11.1% increase in real economic growth. The construction industry boomed with the demands for residential and urban



infrastructure. This growth in consumption and investment grew steadily between 1992 and 1995 and maintained an average GDP growth rate of 6.7%. However, this steady growth soon began to slow to a trickle from 1996-1999, when the real GDP hovered around an average of 2.6% (Kanaan and Kardoosh 2002). Aside from the boom between 1992-1995, the macro-economic reform policies put in place through SAPs appear to have done little for stimulating the economy and the latter half of the 1990s.

It was also during this Fourth Period of economic development that Jordan signed a Peace Treaty with Israel in 1994. The treaty returned to Jordan its occupied territory –nearly 380km² as well as guaranteeing them an equitable share of water from the Yarmouk and Jordan rivers. As the western borders of Jordan were now clearly and conclusively defined, according the official website of the late King Hussein, it put an end to the "dangerous and false Zionist claim that 'Jordan is Palestine'" (www.kinghussein.gov.jo). Other aspects of this treaty included mutually beneficial frameworks for trade, transportation, communications, energy, science, environment, health, agriculture, and tourism.

The initial expectations of economic development as a result of this peace treaty were, sadly, never realized. For example, when the peace treaty was first signed, it was thought that Israeli tourism to Jordan would soar, namely to the site of Petra. As a result, by 1995 a plethora of quickly –and somewhat shoddily built hotels went up. According to Hazbun (2008: 147), "just weeks, maybe days after the peace agreement, local residents started building hotels while existing ones started to expand their capacity...some residents converted their existing apartments into



makeshift hotels; others who were building private houses quickly tried to remodel them into hotels". Initially, there was a rise in tourism and within two years the number of beds available in Wadi Musa, the town on the outskirts of the site of Petra, had quadrupled the number of hotel rooms available. Also during this time period, occupancy rates held close to 62% but with renewed regional conflict, occupancy rates dropped to 31% and in 1998, Wadi Musa reported rates as low as 11% for the year (Hazbun 2008). More and more, Israeli tourists were coming to Jordan for day trips, bringing with them their own food and car even further reducing the amount they were contributing to the Jordanian economy. One of the only remaining aspects of economic cooperation between Jordan and Israel, stemming from this treaty, is the Qualifying Industrial Zones that developed in the late 1990s<sup>27</sup>.

In terms of bilateral lending policies, the 1990s ushered in the 'New Policy Agenda', a model that dovetailed elements of economic liberalism and Western political theories in new ways, "redefining the roles of and relationships between states, markets, and 'third sector' institutions" (bint Talal 2004: 8). According to Archer (1994: 7), this agenda is grounded by three key models: the economy (the role of competitive markets), the state (the government's responsibility to manage), and civil society (the importance of private rights and individual initiative). The weight allotted to each model is dependent upon each country and each donor, depending on their working concepts of human rights, popular participation, and 'good governance'. Aid allocations were influenced by the commitment of the

<sup>&</sup>lt;sup>27</sup> The topic of Qualifying Industrial Zones will be explored more in depth later in this chapter under the heading "Special Economic Zones"

receiving countries to the donor agendas, such as human rights, political accountability, pluralism, and reform. Known as political conditionality, when these terms were refused by authoritarian or repressive governments donors either reduced, suspended or cancelled the development aid all together. Aid would only be reinstated if the country could clearly demonstrate improved conditions.

However, political conditionality is sometimes seen as overstepping boundaries of sovereignty.

New delivery channels for aid began to emerge through the increased use of development non-governmental organizations (NGOs). Bilateral agencies, such as USAID, began collaborating more and more with private organizations rather than directly with the recipient governments. NGOs tended not to criticize the donor approaches since they wanted both recognition and funding (Post and Preuss 1997). This shift was accompanied by a shift in the meaning of development. No longer was it viewed as solely leading to economic growth; human and social development was now being recognized as equally as important and as something that needed be taken into consideration. NGOs were seen as a vehicle that could approach development in a more participatory and gendered manner, along with understanding the importance of local knowledge.

International NGOs have had a presence in Jordan since the 1960s and these early organizations were almost exclusively Christian-based. Initial efforts focused primarily on displaced populations living close to the border and Bedouin tribes.

Their activities centered on nutrition, healthcare, and employment programs, along with infrastructure development. Jordanian NGOs were also in operation in the early



1960s and while they initially tried to coordinate at a regional level, they soon decided to form a national union and the General Union of Voluntary Services (GUVS) was established in 1961. In 1966, a mandate was put in place by the Ministry of Social Affairs (MOSA) that all NGOs operating in Jordan must be registered and under supervision by MOSA, a law that is still in place today<sup>28</sup>. By the end of the 1960s, there were 304 Jordanian registered NGOs, many of which were Islamic-based. As in many other Arab countries, the Islamic NGOs focused their work on health, education, and poverty alleviation (Dabbas 1997). As of 2010 there are 1197 domestic registered associations and social organizations, along with 49 foreign charities operating throughout Jordan (<a href="www.mosd.gov.jo">www.mosd.gov.jo</a>), which focus on poverty alleviation, community development and micro-credit interventions, and advocacy of equality of rights with respect to vulnerable groups and women movements (Halaseh 2012)<sup>29</sup>.

# 2.5 Special Economic Zones

Special Economic Zones (SEZs) are enclaves that are under the administration of a single body, offering incentives to businesses that are physically located within the zone. According to the World Bank Group (FIAS and Bank 2008: 1), special economic zones are a strategic tool to help developing countries

<sup>&</sup>lt;sup>29</sup> Halaseh (2012:271) argues that the role of CSOs and NGOs throughout the MENA region now play an even larger role since the Arab Spring, especially in the area of promoting democratic principles and policies. She suggests that "CSOs need to fill in the current prevalent gaps between citizens and the new state in-transition", therefore it can be expected that there will be a shift in some of the agencies' foci within Jordan.



<sup>&</sup>lt;sup>28</sup> In Chapter Three, NGOs in Aqaba will be discussed along with special operating circumstances they face working within Aqaba Special Economic Zone (ASEZ).

stimulate economic growth by encouraging industry competitiveness and attracting foreign direct investment. Further, they suggest that SEZs throughout the Middle East are being used to "pilot dramatic liberalization in foreign investment ownership policies" (FIAS and Bank 2008: 51).

In the 1970s, there were only about 80 SEZ projects found within 30 countries, creating about \$1 million jobs and earning nearly \$10 billion USD. Today, there are more than 1000 SEZs in over 100 countries, having created 50 million jobs and and stimulated nearly \$400 billion USD (Fakhoury 2004). Initially, more than 75% of these zones were run and operated by government entities but over the last few decades, this trend has shifted. Today, a majority of zones found in developing countries are held privately. The key factor behind the rise of private zones is the realization that such facilities can be profitably operated on the part of developers, and that the burden SEZs place on government resources can be reduced.

The first privately developed zones appeared in the 1980s. This model of development has expanded rapidly and can be found in Eastern and Central Europe, the Middle East, North Africa, Asia, Latin America, and the Pacific. Zones in East Asia and Latin America have proven to be quite successful but it has been challenging to replicate these successes, particularly within Africa. The World Bank Group suggests that a key factor in whether these zones are successful or not is how well they are integrated into their host economies, along with the overall trade and investment agendas they are operating within (FIAS and Bank 2008: 1). More recently, a hybrid of formalized public/private SEZs are beginning to emerge, where each sector



works together to develop and maintain both the zone and the areas surrounding it to promote success.

SEZs can be broken down into seven key types of zones. A Free Trade Zone, also known as a Commercial Free Zone, is usually no more that 50 hectares in size and is developed to support trade mainly at ports of entry. This type of zone offers wharehousing, storage, and distribution facilities for trade and re-export operations. A Traditional Export Processing Zone (EPZ) can be located just about anywhere but is usually less than 100 hectares in size. The first EPZ was established at the Shannon Airport in Ireland in 1959. The Hybrid EPZ is generally larger than 100 hectares and is sub-divided into different industries within the zone. Both forms of EPZs engage in export manufacturing, although the Hybrid EPZ also engages with domestic markets. The Urban Free Zone, or Enterprise Zone Empowerment, has the goal of urban revitalization and generally covers no more than 50 hectares in a distressed urban or rural area. Their activities are multi-use and deal almost exclusively with a domestic audience. The Single Factory EPZ is geared toward export manufacturing and factories and do not have to be located within a designated area but rather can be found anywhere within a country as it is designed to offer incentives for individual companies. The Freeport, which is usually bigger than 100km<sup>2</sup>, is aimed at integrated development and is developed with a range of activities in mind, including tourism, retail sales, residences, manufacturing, and industry aimed at both domestic and international markets. Aside from the Single Factory EPZ set up, these development approaches share the key features



mentioned earlier: they are located within a delimited, secure area, organized by a single entity, and receive location-based tax incentives and regulatory options.

There is an eighth type of zone, the Qualifying Industrial Zone (QIZ), which is found exclusively in Egypt and Jordan. These are bounded industrial parks that were developed in collaboration with Israel to take advantage of trade agreements between the US and Israel. Goods produced in these QIZs can directly access US markets without tariff or quota restrictions but to qualify, the goods must contain at 15% material derived from the U.S and/or Israel and 20% from Jordan or Egypt (depending on the location of the QIZ). The remaining 65% can be material from anywhere in the world (Bolle et al. 2006). The reality, however, is that most of the cloth is imported and wages are extraordinarily low, leaving QIZ firms struggling to meet the domestic content requirement.

The idea behind the establishment of QIZs was to foster a sense of prosperity and stability in the Middle East through economic cooperation and employment. According to al O'ran (2006: 87) the spirit of this arrangement has been lost and that "QIZ investors--who are mostly foreign--reap considerable gains by exploiting resident resources of cheap labor, minimal labor standards, and easy access to U.S. markets."

Most zone activity tends to be labour intensive and is oriented toward assembly type activities, such as clothing, textiles, electrical, and electronic products. The level of industrial development of the country tends to dictate the degree of product specialization found within the zone. As in similar zones found all around the world, women make up the majority of workers here in Jordan (Ong 1987,



Wright 2006). It is worth noting, however, that as economic activity diversifies in the zone or if there is a shift away from straightforward assembly operations, the number of women employed in the zone decreases (FIAS and Bank 2008: 2). While SEZs positively impact economic growth and development of a region, other factors –such as worker rights, worker compensation, working conditions, gender equality, the environment, displacement and other social factors –often suffer as a result of these zones.

It is worth mentioning that more than 80% of the firms operating in Jordan's twelve zones are South Asian textile and luggage manufacturers. Nearly half of the 20,000 workers are not Jordanian, but rather migrant workers from Indonesia, China, the Phillipines, and Egypt. All the workers complain of very low wages (\$3.50 US per day) that barely cover transportation to and from work, however, extreme economic conditions prompt both domestic and foreign workers to accept these low wages. On a cultural note, communities are becoming resentful of the clashing traditions and cultural practices of the foreign QIZ workers whose social habits appear jarring in comparison to local customs.

Factories actively recruit young women from poor, rural villages and a few are even providing QIZ dorms strictly for Jordanian women to reside. In a 2004 interview, the general manager of one QIZ outside of Amman discussed the difficulties in attracting and maintaining young Jordanian men to work in the zones suggesting that on 10% of the QIZ employees were Jordanian men because "[here] it's not shameful for a 30-year-old [man] to be unemployed and asking his parents for money even if there is work" (Halpern 2004). But a condition of employment is



that the women have permission from their father, older brother, or husband, which is not always easy to get as it challenges traditional gender roles of the men being the economic providers while the women remain within the domestic sphere. But because Jordanian women have their family behind them, it does help to protect them against some of the more violent abuse that non-Jordanian women experience, such as physical and sexual attacks (Halaby 2011).

Jordan began participating in the SEZ programs with its first free zone being established in 1973 where a small facility was established at Aqaba's port to serve transit trade and was referred to as Aqaba Free Port. Today Jordan has ten public SEZs and seventeen private SEZs throughout the country, including FTZs, EPZs, a Freeport, and as mentioned previously, QIZs. The Jordanian economy was facing several challenges at the close of the 20th century, including a continuing decline in the standard of living, persistent budget deficits, increasing unemployment, external debt burden, and limited natural resources and local market. In 2000, the governate of Aqaba was set up as a SEZ as a means to increase foreign private sector participation in the region through duty free, tax-advantaged and flexible regulatory operations<sup>30</sup>.

This area, referred to as the Aqaba Special Economic Zone (ASEZ), encompasses 375<sup>2</sup> kilometres of southern Jordan around Aqaba and is considered a freeport, designed to promote economic activities such as tourism, retail sales,

<sup>&</sup>lt;sup>30</sup> This timeline of the introduction and growth of QIZs within Jordan is similar to the India's QIZ timeline. As discussed by Sampat (2010), India first Export Processing Zones (EPZs) were introduced in the mid 1960s, with their central SEZ policy drafted in 2000 using the Chinese model of SEZs, which is what ASEZ also used as a framework. However, the scale of the zones in Jordan is much smaller than those in India.



residential areas, along with industry and manufacturing. ASEZ is governed by the Aqaba Special Economic Zone Authority (ASEZA), a regulatory authority that was developed to regulate all economic activities within the zone (FIAS and Bank 2008). The mission statement of ASEZA declares that they want to make Aqaba a "world class business hub and leisure destination, enhancing the quality of life and prosperity of the regional community through sustainable development"... in addition to turning "the city and its environs into a driving force for the economic growth of Jordan and the entire Middle East" (ASEZA).

An in-depth discussion of the design, role, and impact of ASEZA upon the city of Aqaba and Jordan will continue in Chapter Three.

## 2.6 Tourism Development in Jordan

Through tourism, we're able to open people's eyes to what a magnificent land and nation we have here, and the tremendous surprises and treasures that Jordan holds.

King Abdullah II

For over four decades, multi-lateral and bi-lateral aid agencies have made a commitment (albeit fluctuating) to using tourism as a development strategy for developing economies. It was believed that tourism was a way to increase foreign exchange earnings, create employment, stimulate the local economy, and raise the GDP (cf. Keyser 2001; Telfer 2002; Williams 1988). The World Bank has led the way for these agencies and has been viewed as an "honest broker" to arrange agreements between governments and developing agencies, along with being used to provide "a more systematic and inclusive design, implementation, and evaluation of the economic, social, and environmental impacts of tourism development."

(Hawkins 2007: 349). Currently, there are 33 active tourism-related development



projects with a portfolio investment of \$913.5 million USD, including the Cultural Heritage, Tourism, and Urban Development Project, a \$35 million USD project based in Jordan. Tourism in the Middle East is forecasted to grow at over 5% per year up to 2020, compared to the world average of 4.1%. According to the United Nations World Tourism Organization (UNWTO), the total tourist arrivals by region shows that, by 2020, the top three receiving regions will be Europe (717 million tourists), East Asia (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia.

Tunisia and Morocco were the first countries to have tourism development financed through loan agreements with the World Bank in 1966 (Hazbun 2007/2008). By the late 1950s/early 1960s, both countries' coastal areas had begun to undergo tourism development (cf. Berriane 1996; Hazbun 2007/2008; Perkins 2004; Poirier 1995). This type of enclaved, generic tourism led to the deterritorialization of place throughout the tourist destinations around the world. As Tuathail notes, deterritorialization "is the name given to the problematic of territory losing its significance and power in every day life" (2000: 139). Within tourism development, deterritorialization refers to the 1950s and 1960s Fordist patterns of production and consumption that enabled mass tourism in the form packaged holidays organized around low cost tourism on the Mediterranean and Caribbean coastlines (Hazbun 2004: 313). Each resort very closely resembled another, having followed a set formula that essentially removed the place from the *space*. By the late1980s, however, this type of mass beach tourism began to wane and was replaced by highly specialized, place-specific tourism, such as cultural



tourism, adventure tourism, heritage tourism, urban tourism, and ecotourism. This shift is referred to as the reterritorialization of tourism.

As Butler (1993: 135) points out, the primary goal of early tourism development projects were done so only with potential economic benefits in mind. While there are certain economic advantages that come along with tourism based development, there are also a multitude of more complex economic and social implications -some positive, some negative -that come along with the development of a tourism industry. While local tourism can generate employment opportunities for regular citizens, they are rarely significant or profitable (cf. Feng 2008 and Sumich 2002). For example, while tourism increases employment levels in an area, this work is typically seasonal, wages are low, and there is very little job security or opportunity for advancement. Tourism does also provide indirect employment, such as taxi drivers, local owners of guest houses, restaurants, and vendors. While many local residents or domestic tourists may utilize these services, they still remain heavily dependent on international tourism. In addition, tourism-driven development often leads to increased wealth stratification within the local communities, which can increase or further aggravate social issues within the community (cf. Harrill 2003; Mansfield 1992; Mathieson and Wall 1982).

Tourism is a main pillar of Jordan's economy (Yarmouk-University 2003).

The Central Bank of Jordan indicated that the tourism sector generated JD835 million (USD 1.4 billion) between January and June of 2008 (Luck 2008b). Only four years later, between January and July of 2012, tourism revenue was nearly JD 1.5 billion (USD 2.12 billion) (Malkawi 2012). It is the Kingdom's largest export sector,



its largest private sector employer, and a vital producer of foreign exchange –which is second only to industry, and accounts for approximately 14 percent of the country's gross domestic product (GDP) (USAID 2012).

The Jordanian tourism industry has three main markets: local, regional (other Arab nations), and foreign. Before 1994, 70% of Jordan's visitors were regional, however, now only approximately 56% are from other Arab nations. After 1994, international tourism increased, with Europeans consisting of about 12% of visitors to Jordan, while the United States of America made up at 6.8%. Until recently, marketing Jordan as a tourist destination has proven to be problematic. The 1920s through 1950s saw no tourism advertising. In the 1960s and early 1970s, archaeological tourism began to flourish. Through the late 1970s and 1980s, Jordan began marketing abroad through Royal Jordanian Airlines (RJ) and they promoted a Bedouin identity as reflection of Jordan. For example, first class passengers were served Bedouin coffee by flight attendants garbed in traditional Bedouin dresses (Cavanagh 2006).

The Ministry of Tourism and Antiquities (MOTA) began to look at different types of tourism development options in the late 1980s. It is suggested that this was a reaction to outside competition, such as tours in Egypt and Israel. Jordan tended to be, and often still is today, sold as a side trip or add-on to other regional destinations rather than as a main destination in itself. For example, most package tours of Middle East focused on Amman, Petra, or the beaches of Aqaba and only allotted between 1-3 days in Jordan. This resulted in the development of the Jordanian Tourism Board (JTB), which develops national tourism plans, along with focusing on



staffing issues, attempting to build on Jordan's destination strengths, and remedy their weaknesses, such as improving upon and building up infrastructure, adding hotel rooms, car rental agencies, travel agencies, tourism restaurants and guides... For example, according to the Jordanian Ministry of Tourism and Jordan Department of Statistics 2008 Annual Bulletin, in 1990 there were only 224 hotels in the Kingdom, 50 car rental agency offices, 203 travel agencies, and 94 official guides. There were no restaurants specifically aimed at tourists in the country. In 2008, these numbers rose to 472 hotels, 342 car rental agency offices, 619 travel agencies, 852 government licensed tour guides and the number of tourist restaurants swelled to 682. While these increases are drastic, it is worth noting that the increase in tourism also rose dramatically during that same time period: 1990 saw 577,446 international tourists arriving in Jordan and 2008 witnessed 5, 667,004 international tourists. However, while more and more tourists are coming to Jordan, they are not choosing to stay as long as they once did. In 1990, the average length of stay in Jordan was 5.7 nights yet in 2008, the average length of stay had dropped to 4.4 nights, reifying Jordan remains an add-on destination for tourists visiting neighbouring countries rather than as the main destination. 31

This trend has begun to shift, with the most recent numbers showing that during the first seven months of 2012, single day visitors to Jordan dropped 22.7%

<sup>(</sup>http://gulfnews.com/business/tourism/egypt-taps-new-source-markets-to-attract-visitors-1.1016131). In Israel, the average length of stay for tourists in 2006 was 7 nights (Israel Central Bureau of Statistics *Statistilite* No. 71 2006, www.cbs.gov.il).



<sup>&</sup>lt;sup>31</sup> In 2005, Egypt's average length of stay for tourists was 10.4 nights according to *Jordan's Competiveness Report: Tourism 2007*. A more recent figure illustrates that even in the aftermath of the Arab Spring in Egypt, the tourists were not deterred. The average length of stay in Egypt during the first quarter of 2012 was 11.6 days

as compared to the first seven months of 2011 while the number of overnight visitors rose 6.1% during the same time period (Malkawi 2012)<sup>32</sup>.

The most recent National Tourism Strategy 2011-2012 (NTS 2011-2015) outlines four pillars of action as a way to transform Jordan into the main destination and estimates that the public sector will spend JD152m (\$215.5m) and the private sector will spend JD38m (\$53.6m) over the five-year period. The first pillar of the NTS 2011-15 is marketing and promotion. The government plans to increase its efforts in social and digital media to attract higher-end markets. The goals set out under this pillar for 2011-15 include increasing tourist arrivals to 9.4m, boosting overall tourism receipts to JD4.2bn (\$5.9bn) and growing domestic receipts by 30%. This would continue the significant progress made between 2004 and 2010, which saw tourism arrivals increase from 5.6m in 2004 to 8.2m in 2010 and tourism receipts rise 247%, from JD943m (\$1.3bn) to JD2.42bn (\$3.4bn).

The second pillar outlined in the NTS 2011-2012, product development, focuses on continuing expansion in new hotel capacity and large-scale developments. This pillar aims to see air capacity into Jordan increased by 20%, 20 new tourism infrastructure projects completed, and 100% of hotels and 80% of restaurants approved and ranked under the national classifications scheme. One example under this category is the public-private partnership project to develop and expand the Queen Alia International Airport (QAIA). The number of passengers

<sup>&</sup>lt;sup>32</sup> The impact of the 2011 Arab Spring events on tourism will be addressed later in this chapter although it can be noted here that the Ministry of Tourism and Antiquities data show that Jordan's total tourism revenue in 2011 was around JD2 billion, down JD400 million (16.5%) from 2010. Jordan started seeing the decline in early 2011, where 6.6 million tourists came to Jordan, compared with the 8.2 million in 2010.



transiting through QAIA 2011 reached 5.5 million and is expected to top 6.2 million in 2012. The opening of an \$800m terminal next year is expected to attract more transit passengers (Obeidat 2012).

Continuing with the goal for a well-educated and highly skilled workforce is the NTS 2011-15"s third pillar, focusing on labour market development. After having seen direct employment in tourism increase by 85% between 2004 and 2010, the government aims for the sector to create 25,000 additional jobs directly and more than 500,000 indirectly by 2015. The fourth pillar, directed at the environment, aims to increase the functionality of the sector at large by passing a new tourism law, developing new tourism policies and increasing awareness among key stakeholders of the benefits of sustainable tourism. However, Jordan will have to do some catching up in order to meet the NTS 2011-15's goals, as performance in the first half of 2011 fell short of expectations<sup>33</sup>. The tourism sector's earnings during the first six months of the year amounted to JD949m (\$1.3bn), down from the JD1.09bn (\$1.5bn) in the first half of 2010, according to statistics from the Ministry of Tourism and Antiquities released in August 2011.

The main form of tourism throughout Jordan is cultural tourism, focusing on archaeological and heritage sites. The archaeological site of Petra is Jordan's top tourist destination, having attracted 902, 313 tourists and generated JD17.7 million in revenue alone in 2010 (Turner 2011). Other major tourist attractions in Jordan include the city of Jerash, suggested to be the best preserved Roman provincial cities in the world; Amman, with its Roman Theatre, the Citadel, Temple of Hercules,

<sup>&</sup>lt;sup>33</sup> This decrease was a result of the Arab Spring, which will be discussed later in this chapter.

Ummayyad Palace, and Byzantine Church, along with museums, market areas, and contemporary Arab life; the eastern Desert Castles that beautifully illustrate early Islamic art and architecture; and the Crusader Castles, which highlight fascinating examples of architectural and military traditions of the time.

A key 'Jordanian' cultural area that is promoted to tourists stems from romanticized image of the royal family of Jordan as Bedouin, discussed earlier in this chapter, which influences how foreign tourists imagine their Jordanian experience<sup>34</sup>. With economic motivation, the Jordanian tourism industry has been commercializing the image of Bedouin and Jordan's tribal heritage in order to attract tourists. In Jordan, the authentic 'embodied practices' of tourism typically involve Bedouin related experiences and the use of food, setting, and hospitality as representations of Jordanian culture. One example of this can be seen in the use of Bedouin hospitality to enhance tourists' 'authentic' Jordanian experience. Sitting and drinking coffee in Wadi Rum with a Bedouin sheik has been an image romanticized in centuries worth of travelers' tales and is seen by foreigners to embody the idea of Bedouin hospitality. From walking through a hotel lobby and being served coffee by a 'Bedouin' man in his 'tent' to week long treks with names like "A Taste of Culture" where visitors can "experience "a taste of local Jordanian tribal life by dining with "local Bedouin families" or by traveling "routes used only by Bedouins and never before seen by tourists", tourists are able to 'embody the practices' of 'Jordanians' (labeduinatours.com/progs&itin.htm).

<sup>&</sup>lt;sup>34</sup> The examples presented here of the bedouinization of Jordanian culture for tourist consumption were initially described in my 2006 Masters thesis, *Serving up the Imagined: An Image-Based Examination of the Bedouinization of Jordan's National Identity.* 

Other tour companies offer situations where 'guests' participate in a 'traditional, authentic Bedouin wedding celebration' or they can choose to take part in a Bedouin 'raiding party'. Additionally, if you can make the climb up the 808 steps to *Ed Deir* (also known as 'the Monastery') at Petra, you will be welcomed by the sight of a Bedouin tent with vendors serving (selling) tea and soft drinks and offering shade from the hot sun. This offers the 'guest' the opportunity to experience 'true' desert hospitality and better understand the importance of hospitality in the 'harsh' conditions of the desert. Yet another example, at many upscale touristic restaurants, patrons are served coffee by a waiter dressed as a Desert Patrol officer or can have their family photograph taken dressed as Bedouins. The most recent example of bedouinization can be seen in the newly unveiled terminal at the Queen Aila Internatonal Airport in Amman. With projected capacity of 12 million passengers yearly, the new terminal's roof comprises of 127 concrete domes inspired by Bedouin tents<sup>35</sup> (Ghazal 2013).

Jordan is also an ideal religious destination, boasting a plethora of Islamic and Christian sites, including Bethany Beyond the Jordan, which is believed to be where Jesus was baptized; Mount Nebo, where Moses viewed the Holy Land of Canaan that he would never enter, along with a 4th century church and mosaics; Umm Qais, is the site of Jesus' miracle of the Gadarene swine and rare five-aisled basilica dating to the 4th century; the town of Madaba, which show cases incredible mosaic floors and churches; and the Dead Sea and Lot's Cave. There are many tombs

<sup>&</sup>lt;sup>35</sup> The terminal was designed by British architect Norman Foster, who also designed the new Wembley Stadium in London.

and shrines of companions of the Prophet Muhammad that have also proved popular with Muslim tourists, such as the tomb of Abdul-Rahman ibn Awf Al-Zuhri, one of the 'Blessed Ten', to whom Prophet Mohammad promised paradise, and the general Abu Obeidah, along with the Cave of the Seven Sleepers, the Grand Husseini Mosque, and the King Abdullah Mosque.<sup>36</sup>

Another niche market that has emerged within the Jordanian tourism product is medical tourism. Medical tourism is the practice of patient-tourists traveling internationally for the purpose of obtaining health care, although they may also engage in other types of tourism. This category encompasses a wide range of 'health care', including everything from spa treatments and soaking in therapeutic hot springs to a more biomedical approach to healthcare, with cosmetic procedures along with cancer or stem cell surgeries, and life-saving surgeries<sup>37</sup>. The World Bank ranks Jordan as the 5<sup>th</sup> best medical tourism destination in the world and its economy was boosted by nearly \$1 billion in revenues and contributed to 4% of the GDP in 2010 (Oxford Business Group 2012).

The city of Aqaba and its surroundings (see Figure 1) take a noticeably different approach to tourism, however, concentrating on beach and adventure tourism. Aqaba is located at the most southern tip of Jordan and is the country's only port, with access to the Red Sea through the Gulf of Aqaba. While the total amount of

<sup>&</sup>lt;sup>37</sup> More than 250,000 patients from other countries sought treatment in Jordan in 2007. This includes an estimated 45,000 Iraqis and approximately 25,000 patients each from Palestine and Sudan. An estimated 1,800 US citizens, 1,200 UK citizens, and 400 Canadians also traveled to Jordan for treatment that year. Treatment costs can be as low as 25 percent of costs in the US ("Jordan tops region as medical tourism hub", *Jordan Times*, Sep 7, 2008)



<sup>&</sup>lt;sup>36</sup> There is limited visitor data available for these smaller religious sites as many of them have no office/officials located at the site and there are no entry fees.

coastline belonging to Jordan has varied over the years, it currently lays claim to 27 kilometres, of which Aqaba is centrally located. However, this figure is about to drastically change thanks to intense tourism development. Aqaba as a tourist destination will be discussed in detail in Chapter Three.

Other niche tourism markets in Jordan have recently been developed with a focus on nature and ecology, including hiking trails and camping in the Ajlun Nature Reserve, bird watching in the wetlands of Azraq, hiking and camping in the canyons and gorges within the Dana Biosphere Reserve, white water rafting in the Mujib Reserve, experiencing desert life and rock climbing in the Wadi Rum Protected Area, and seeing first hand many endangered or near-extinct local wildlife at the Shawmari Reserve. These reserves are managed by the Jordanian Royal Society for the Conservation of Nature (RSCN), which has received funding intended for tourism growth from several development agencies, including USAID, UNDP, GEF, and the World Bank (www.rcsn.org.jo).

### 2.7 THE ROLE OF THE ARAB SPRING IN JORDAN

While having been used several times throughout the last century the term 'Arab Spring' is now understood to refer to the events starting in late 2010 and continuing until present day (Keating 2011), and Yemen where rulers were eventually overthrown. At the same time, civil uprisings in Bahrain and Syria were underway, and large-scale protests were occurring in Algeria, Iraq, Jordan, Kuwait, Morocco, and Sudan. Smaller protests have also been found in Lebanon, Mauritania, Oman, Saudi Arabia, and Western Sahara. In all these countries, the people were demanding governmental reform, improvement in civil liberties, and an end to



political corruption and abuse. A common thread throughout these uprisings is the use of social media (Twitter, Facebook, YouTube, etc) to help organize, communicate, and raise awareness to their causes and reactions from their states to censor and repress their campaigns.

Jordan's Arab Spring played out differently than the highly media-covered events of Tunisia, Egypt, and Libya. Although anti-government protests took place nearly every Friday in Jordan during the same period as the uprisings in North Africa, very little attention was given to the events there. As Tobin (2012: 96) points out, "the Arab Spring in Jordan was manifest mainly in media based activity such as blogs and in relatively frequent, but small, contained and nonviolent protests in Amman". But, on January 21, 2011 an estimated than 5000 people took to the streets in Amman demanding constitutional reform, more participation and decision-making in civic affairs, social justice, and improved economic opportunities. In other words, calling for an overhaul of the current system rather than toppling it, which was a major difference between the demands of Jordanians and those protesters in other countries, such as Egypt, Tunisia, and Libya. While King Abdullah has responded to these demands by making changes in government, most people agree that these changes are just cosmetic and that no real reform has occurred. Since January 2011, the Jordanian parliament has been completely restructured four times. Seventeen months after Jordan's Arab Spring began, weekly street protests continue and one protester recently noted on their banner "In Jordan, fast food delivery takes up to 45 minutes, but changing a prime minister takes only 30 minutes" (Al Arabiya News 2012). During the same protest, another



banner gave a more serious message to the King, "The people want to change policies, not only governments" (Al Arabiya News 2012).

These events and their use of the Internet impacted much more than just domestic political reform. The economy and development agendas of the entire region were greatly affected, largely due to its reliance on tourism as a means of economic development. It is estimated that close to \$96 billion USD worth of tourism revenue has been lost to Arab countries as a result of these regional uprisings since early 2011 according to the Arab Tourism Organization (Sidiya 2012). It is worth noting that these newer regional instabilities have had a greater negative impact on tourism throughout the Middle East and North African (MENA) region than the long-standing intra-regional unrest.

Literally overnight, the tourism industries of Tunisia and Egypt were nearly shut down. In the last week of January 2010, Egypt reported that 210 million tourists had left the country resulting in a drop of tourist spending by \$178 million. Last minute travel cancellations for the month of February resulted in at least \$825 million for Egypt (ETN 2011). In Tunisia, it has been reported that their tourism revenue from the first quarter of 2011 dropped at least 50% (Yousef 2011). But the impacts on tourism economies were not only felt within these two countries. The entire region experienced a downturn in tourism revenues due to perceived political instability throughout the entire MENA region. Although Jordan's Arab Spring manifested itself through relatively peaceful protests (only four people were killed during the demonstrations as compared to over 300 in Tunisia and more than 800



in Egypt), their tourism revenues dropped by 12% during that first half of 2011 (ETN 2011).

In July 2012, the IMF agreed to lend Jordan \$2 billion to help offset increasing costs due to a variety of regional influences, namely the large influx of Syrian refugees fleeing due to civil war. Additionally, the increasing natural gas costs due to continued sabotage of the pipeline in the Egyptian Sinai Peninsula resulted in disruptions to service in Jordan causing them to have to import more expensive fuel options. Other key factors leading Jordan to request the IMF loan include reduced tourism income and remittances from Jordanians working abroad due to civil unrest in the region and the global economic slump. Further, government finances have been reduced because of the need to increase welfare spending during the Arab Spring. In addition to monetary assistance, the IMF also recommended that the international community help support Jordan by providing additional grants and government investment (Wroughton and Torchia 2012).

#### 2.8 Summary

While Jordan is a young nation, it is its ancient heritage that draws tourists to it, even amidst tumultuous times. It has promoted itself as a calm oasis within a volatile region, with very little in the way of natural resources save for its people and peace<sup>38</sup>. The population of Jordan is a combination of those who consider themselves to be 'true' Jordanians –having been living in Jordan since the days of

<sup>&</sup>lt;sup>38</sup> At an Amman community festival I attended in 2005, a local politician was giving a speech, speaking to the condition of local economic activity and he stressed the point that Jordan's only natural resource is peace. This is paraphrasing of a simultaneous English translation as the politician from the Jordanian Democratic Popular Unity Party was speaking.

Transjordan, and those who arrived after 1946 –primarily Palestinians. Regional unrest, global economic downturns, few exportable natural resources but a solid relationship with the West has resulted an infusion of development aid, although Jordan has also had its share of navigating the consequences of structural adjustment programs.

The two key economic development agendas in Jordan are special economic zones and tourism. Currently, Jordan hosts ten public SEZs and seventeen private SEZs throughout the country, including FTZs, EPZs, along with the QIZs in partnership with Israel. Encompassing 375 km², Jordan's Freeport, ASEZ, is located in the southern governate of Aqaba. It was designed to promote economic activities including retail sales, residential areas, industry and manufacturing, and tourism.

Tourism has been a key income generator for Jordan for more than sixty years. After losing Jerusalem to Israel during the 1967 war, Jordan lost its main tourist destination. Through strategic marketing, however, Jordan has been able to define a clear tourism product, which draws tourists from both the region and further abroad. This product combines the culture, history, religion, medical care, and environment of Jordan into a package that is not found elsewhere. The tourism industry appears to have weathered even the most recent regional upheaval of the Arab Spring earning more than \$2 billion USD in the first eight months of 2012.



### CHAPTER THREE

THE SHIFT FROM AOABA TO THE AOABA SPECIAL ECONOMIC ZONE

### 3.1 From Aila to Aqaba: A Historical Overview

The current site of Aqaba has been inhabited since 4000BC, likely due to its strategic positioning at the crossroads of Asian, African, and European trade routes. The Edomites, an Iron Age civilization, are thought to be among some of the earlier inhabitants of this region and, while the most recent archaeological evidence suggests otherwise, just a few kilometers west of modern-day Aqaba is often talked about as the site where King Soloman built his famed fortresses and ships. The Nabataeans, in the first century BCE, founded a city named Aila in nearly the same spot as Aqaba today<sup>39</sup>. Drawing on both its sea access and desert trade routes, the Nabataeans prospered as it served as a gateway between the Roman Empire and smaller empires to the east, carrying luxury goods.

Aila came under direct Roman rule in 106 CE, where it served as a terminus for the *Via Nova Traiana*, a road that connected present day Syria with the Red Sea.

After storming Masada and destroying the Second Temple, the Tenth Legion (*Legio X Fretensis*) of Rome was moved from Jerusalem in 300 CE and stationed in Aila where

<sup>&</sup>lt;sup>39</sup> While there were several written sources that mentioned Aila being in the Gulf of Aqaba, the exact location of Roman Aila remained unknown until an expedition led by S. Thomas Parker, called the Roman Aqaba Project, uncovered substantial parts of the ancient city in 1994, including an ancient city wall dating to the Early Byzantine era, mudbrick domestic and industrial complexes, a cemetary associated with the Roman and Byzantine periods, along with pottery, coins, metals, and organic materials. This project ran from 1994-2002.



it remained for nearly fifty years, indicating that the city held significant strategic meaning for the Roman Empire (Parker 1994). It was also a site of pottery production, as kilns for the Aila-Axum amphorae as well as thousands of pottery sherds were uncovered in during excavations at the turn of the 21st century. This narrow conical amphora was in production between late fourth/early fifth centuries CE until well into the seventh century CE and has been found at archaeological sites in modern Eritrea, Ethiopia, Egypt, and Jordan, as well as on many underwater shipwreck sites throughout the Red Sea.

The city of Aila continued to flourish under Roman control through the Byzantine period but surrendered peacefully to the Islamic conquests in 630 CE after a series of negotiations conducted by the Prophet Mohammed. Initially it was under the rule of the Islamic Caliphate but then passed through several other Islamic dynasties, including the Ummayads (661 CE-750 CE), Abbasids (750 CE-970 CE), and Fatimids (970 CE-1116 CE). The site of the Islamic city was about 500 metres northeast of the Roman Aila and remained prosperous, in large part to annual pilgrimage to Mecca, but after a series of earthquakes in the 12th century, along with attacks from both Bedouin and the Crusaders, the city fell into decline<sup>40</sup>. The Kingdom of Jerusalem took over control of the city in the 12th century and the Crusaders also used a nearby island as a stronghold<sup>41</sup>. In 1170, the city was taken by Saladin and was once again under Islamic rule. By 1250, it was part of the Mamluk

 $<sup>^{41}</sup>$  *Ile de Gray*, now called Pharoah's Island, is located 7km off the shores of Aqaba and lies within Egyptian waters today.



 $<sup>^{40}</sup>$  Islamic Aila was uncovered in the 1986 by an American-Jordanian archaeological team, led by Donald Whitcomb.

dynasty and it was during this rule that the name 'Aqaba' was given to the city.<sup>42</sup> This empire began to decline in the early 16<sup>th</sup> century, at which point the Ottoman Empire laid claim to Aqaba. The city soon lost importance and for nearly 400 years, it remained a quiet fishing village. Only after the Ottomans built the Hijaz Railway in the early 20<sup>th</sup> century, spanning from Damascus to Medina, did Aqaba begin to regain some of its earlier strategic and economic importance.

Before the Great Arab Revolt (1916-1918), the village of Aqaba was a tiny port town but still a valuable asset to the Ottoman Empire. The Turks did have a battalion stationed in Aqaba, although they were surprised and quickly defeated by Faisal and the Arab Forces in 1917. By chance, a British navy boat arrived during the attack and aided by shelling the coast, although it was too difficult for them to make it on shore. The ground attack from the mountainside of the village was unexpected, as the Arab Forces had to cross 1000km of desert to strike the village. Over the course of 5 days, the Arabs killed 300 Turks and captured 160 while they only lost 2 men (Murphy 2008). This victory changed the trajectory of the Arab Revolt and today, the Arab Revolt flag flies in Aqaba on the fifth tallest freestanding flag pole in the world.

Sharif Hussein took up residence there when he came to Aqaba in 1924<sup>43</sup> and received a pledge of loyalty and support from residents of Aqaba and its environs. At

<sup>&</sup>lt;sup>43</sup> Philby (1925: 154), when writing about his adventure traveling from the Dead Sea to Aqaba mentions Sharif Hussein's arrival to Aqaba: "But the frailest veseel that ever reached its harbour was surely that which arrived there in the early part of January 1924, with a



 $<sup>^{42}</sup>$  Al-Aqaba literally means 'the Pass' and was used in reference to the Pass of Aila (*alaqabat aila*)

this time, Aqaba was still part of Hijaz territory although the British also laid claim to the entire Gulf of Aqaba at the end of the Arab Revolt. When King Ibn Saud conquered the Hijaz in 1925, the British placed the regions of Aqaba and Ma'an under the control of Transjordan, which they still viewed as part of their Palestine Mandate<sup>44</sup>. They continued to recognize Transjordan's authority in the region until Jordan gained its independence in 1946. However, the newly formed Saudi Arabia never agreed to these borders and they disputed them until 1965, at which time an official boundary was decided upon by Jordan and Saudi Arabia. This agreement allocated desert lands previously belonging to Jordan to now be under Saudi Arabian authority and the Saudis officially recognized Aqaba to be part of Jordan, giving the nearly landlocked country an additional 16 km of coastline on the Red Sea, increasing their sea access to 27 km.

#### 3.2 AQABA WITHIN THE NATIONAL CONTEXT

'Aqaba itself is perhaps too well known to need much description. Its situation is picturesque, and some day it may revive the memories of a glorious past when it was Elath at the head of Ælanitic gulf and the neighbour of Ezion-Gerber, the port of Solomon. For the moment it is a miserable little village of roughly constructed huts of granite masonry in the midst of an attractive palm-grove whose owners from time immemorial have been the Huwaitat Badawi (Philby 1925: 154)

mixed cargo consisting of camels, horses, sheep, slaves and Arabs, and, last but not least, a king".

<sup>&</sup>lt;sup>44</sup> The British Mandate for Palestine was a legal commission that took administrative control of the former Ottoman territory of Nablus, Acre, the Southern portion of the Beirut Vilayet, and the Mutasarrifate of Jerusalem. The formal objective of the League of Nations Mandate system was to administer parts of the defunct Ottoman Empire until the region was able to be self-sufficient. The mandate document formalized the creation of two distinct British protectorates - Palestine, as a national home for the Jewish people under direct British rule, and Transjordan.



World War II was beneficial to Transjordan in terms of both economic and infrastructure development. During the war, the village of Aqaba was used once again for military purposes. The British, still laying claim to Transjordan as part of the Palestine Mandate employed Bedouin on British military construction projects during the winter of 1941; between 5000-8000 Bedouin worked on rail and road-projects in the Aqaba area (Robins 2004, Bocco and Tell 1994). Transjordan's loyalty to England during the war helped secure a loan of £50,000 in 1942 from the British Treasury for the development of the port of Aqaba (Robins 2004, Bocco and Tell 1994) at which time the British built two wharfs in Aqaba for aiding in the import of military goods (Hindle 1966). The local population also benefited from increased demand and cost of imported goods created by wartime shortages, which resulted in a resurgence in the demand for camel transportation for smuggling (Robins 2004).

Even with these new facilities, however, Jordan did not rely on Aqaba as its port. Until 1948, with the establishment of the state of Israel, Jordan had unimpeded access to the Mediterranean Sea via the ports of Haifa and Jaffa, only about 150 km from Amman. With the creation of Israel, Jordan shifted their trade to pass through Syrian and Lebanese ports, with Amman being situated almost 310 km from Beirut. However, the distance from the centre of trade in Jordan with these new ports was not the only disadvantage. Goods that were destined for Jordan needed to pass through two or three customs controls, involving a great deal of paperwork. The transportation of the cargoes were highly regulated and were required to be moved by local companies and paid for in local currencies. The roads were often unpaved



and in poor condition. Perhaps the biggest downfall to using these ports was that Jordan's economy and trade was at the mercy of its neighbours. Jordan often found itself having to contend with political events and upheavals, such as Syrian coups d'états and disputes between Lebanon and Syria, leaving Jordan in a vulnerable economic position. The dependence on these northern ports resulted in Jordan being faced with shortages of essential goods (Drysdale 1987).

It is important to note that initially Agaba was not an ideal solution to losing the use of the ports at Haifa and Jaffa. Nearly 90% of the country's population at the time lived within 80 km of Amman, which is about 330 km from Agaba while Beirut is slightly closer at 310 km. Other factors that lent Beirut to being a more suitable port than Agaba, despite all the above factors, were that land communications between Amman and Agaba at this time was much worse than between Amman and Beirut, the roads from Agaba to Amman were not only in worse condition that those between Amman and Beirut, but they were also much more dangerous to traverse because of mountains and gorges, as well as being prone to flooding and rock slides. Agaba is also located in a politically sensitive region, sandwiched between Egypt, Israel, and Saudi Arabia making it highly vulnerable and nearly impossible to defend if attacked. Further, Beirut was an established port of call for many shipping companies while Agaba required not only a 300 km detour up and down the Gulf of Agaba but vessels also had to pay additional tolls at the Suez Canal. Freight rates between Europe and Beirut were lower than Europe to Aqaba<sup>45</sup>. Finally, Jordan only

<sup>&</sup>lt;sup>45</sup> To help counter the discrepancy in shipping costs, the Jordanian government put a 20% tax in place on goods that were imported into the country via any port aside from Aqaba (Drysdale 1987).

laid claim to eight km of coastline, making it difficult to expand the port, as it was not until the treaty with Saudi Arabia in 1965, which clearly defined each country's boundaries, did Jordan obtain their current 27 km (Drysdale 1987).

Developing the port of Aqaba became a national priority in the early 1950s, both politically and economically and in 1952, the first plans for developing the port of Aqaba were drawn up. Initially the existing port was sufficient for some Jordanian trade to enter through Aqaba rather than through their northern neighbours; however the wharfs dating from World War II were incapable of handling civilian imports for a country that needed to import most of its manufactured goods, many raw materials, along with food supplies. By 1958, Aqaba had become Jordan's lifeline with the outbreak of civil war in Lebanon. By 1960, several key projects were completed, including the first deepwater general-cargo berth.

In the early 1960s, the Jordan Development Board drafted a five year economic strategy that centered around 3 key objectives: expand the country's gross domestic output, reduce unemployment, and to improve Jordan's balance of trade and reduce their reliance on imports. One way to achieve this plan was to improve upon Aqaba's port by expanding it along with increasing road and rail access to and from it (Robins 2004). With these improvements, along with political upheavals in neighbouring countries, port traffic through Aqaba experienced an impressive increase by the mid-1960s.

Aqaba's rapid growth came to a quick stop in 1967 because of the war with Israel, resulting in Jordan's economy coming to a standstill. The West Bank, which had previously been under Jordanian rule and had contributed greatly to the wealth



of the country, was now being occupied by Israel. Additionally, Jordan found itself having to readjust their trading patterns because of the second closing of the Suez Canal, which lasted for eight years. This meant that travelling between London and Agaba by ship now took upward of two months whereas when passing through the Suez Canal, it took only two weeks. At its height in 1966, Agaba received 666 vessels but in 1968, after a year of the Suez Canal being closed, they received only 275 vessels (Drysdale 1987: 93). This resulted in Jordan once again relying heavily on trade through Syria and Lebanon until 1971, at which time Syria closed its borders and airspace with Jordan in protest during the Jordanian civil war. Syria had briefly intervened in support of Palestinian guerrilla fighters but the Jordanian army eventually defeated them. This resulted in Aqaba once again regaining its importance during 1971-72 even though the Suez Canal remained closed. When the Suez Canal reopened in 1975, Agaba was a key beneficiary as arrivals increased drastically; in 1974 only 299 vessels arrived in Agaba whereas in 1976, 1064 vessels called at the port and by 1978 nearly 60% of all Jordanian trade passed through Agaba (Drysdale 1987: 97-98). This increase in traffic caused congestion and over the next five years, port infrastructure was greatly expanded. Between 1991-1996, Agaba became the sole outlet for good to pass in and out of Iraq from the outside world as humanitarian goods not under sanctions were imported via Agaba. (Robins 2004).



While the port of Aqaba, along with a burgeoning phosphate industry<sup>46</sup>, was gaining in national importance the town itself did not seem to be building up alongside it. In 1966 Hindle, a British geographer, suggested that this lack of growth was attributed to the lack of labour and power, limited fresh water supplies, and its distance from the main population of Jordan, which situated close to Amman.

Because of these factors, he predicted that Aqaba's future, while playing a vital role in Jordan's economic development, would be that of a simply a transit port. Even though the town was the country's only sea access and an important trade and transportation center, it has until recently remained an area marginalized from socio-economic development, as the town was considered by many Jordanians more of a remote tribal outpost.

In 1973<sup>47</sup>, the port was set up as a Special Economic Zone (SEZ) although it consisted of only one facility, which served the transit trade. It remained a relatively modest undertaking until 1983, when the Aqaba Regional Authority (ARA) was established. The ARA was a financially independent institution, receiving most of its revenues from land-sales and directly linked to the Prime Minister's office. It was responsible for socio-economic development in the region –primarily through tourism development, as well as formulating strategic structure along with coordinating with other public and private agencies. Its key objective was to act as

<sup>&</sup>lt;sup>47</sup> Also in 1973, the Mexican state of Quintana Roo in which Cancun is located was also establishes as a Free Trade Zone (FTZ). As Castillanos (2007: 5) points out, "what was being traded was not goods but rather Mexico's sun, beaches, and gendered, exotic Others". While Aqaba did not develop as this tourism-based FTZ at this time, likely because of social and political reasons it eventually did in 2001.



 $<sup>^{46}</sup>$  Aqaba is home to extensive phosphate deposits, making it the world's  $4^{th}$  largest exporter (Robins 2004).

the planning, research and regulatory body to organize the other government agencies in Aqaba. The ARA's power kept growing and it eventually became responsible for all infrastructure work in the city of Aqaba. The ARA was a pilot project for regional planning in Jordan and the Jordan Valley Authority (JVA) and the Petra Development and Tourism Regional Authority (PDTRA) are both modeled on the ARA format (Interview with Aqaba Regional Authority Director in 2010).

Aqaba was designated as a governate in 1990, which resulted in several governmental departments offices opening branches in the small city. The three key government agencies shaping Aqaba now included the ARA, the city municipality, and the Aqaba municipality, with the ARA having legislative and administrative authority over the other two. This inevitably resulted in confusion and antagonism between the agencies. For example, the governor of Aqaba technically controlled all government institutions and agencies in Aqaba, but according to the ARA law, the governor was just a member of the Authority board, chaired by the president of the ARA. However, the ARA did not have authority over the other central government agencies located in the city. This resulted in chaos as well, as they reported all their activities and projects to their respective headquarters in Amman.

Soon, studies began to be undertaken looking at how to better transform

Aqaba and make better use of its strategic location. One such study, completed in

1994 by Jordan's Royal Scientific Society (RSS), suggested that Aqaba region not be

made into one large free zone but rather that multiple zones be established

throughout the area and only encompass 60 sq kms. However, this plan was

forgotten with the signing of the peace treaty between Jordan and Israel later that



same year. This peace treaty brought Aqaba to the forefront as it was seen as an ideal location to develop a hub for regional economic cooperation, specifically through the Jordan Valley Rift (JVR), a tri-lateral initiative between the United States of America, Jordan, and Israel designed to integrate infrastructure and services as a means of promoting private sector investment, and the Taba-Eilat-Aqaba Macro (TEAM) zone.

The TEAM zone, supported by the European Union, had a goal of preparing the Taba-Eilat-Agaba area for local and foreign public and private investments, with a focus on tourism development. Initial projections suggested that close to \$5 billion USD over a fifteen-year period was anticipated. Proposed projects included a free zone for tourists, an underwater coral reef park, harbours for yachts and cruise ships, along with creating a 'Red Sea Riviera'. Unfortunately, the second half of the 1990s turned out to not be one of economic prosperity. Coupled with Benjamin Netanyahu's government in Israel coming to power in 1996, which resulted in the collapse of the young peace treaty and brought regional cooperation to a near halt (al-Khouri 2002). Once again ideas about developing Agaba, without input from Egypt or Israel, became the goal of Jordan. Studies got underway exploring possibilities for both light and heavy industry by 1997. These studies soon illustrated that the impact from these activities were limited, especially in terms of employment opportunities and so the government began to look for a more aggressive model for the city and its surroundings.



#### 3.3 CREATION AND IMPLEMENTATION OF ASEZ AND ASEZA

It was in late 1997, at the Middle East and North Africa Economic Conference in Qatar, that the first public mention of transforming Aqaba into a "world class" freeport zone and that the first phase, about 34 sq kms, would be completed by 1999 (Jordan Ministry of Planning 1997). The Jordanian government secured loans of 30 million Euros with the European Investment Bank in order to modernize the Aqaba Port. Studies were undertaken by an Egyptian firm intending to develop a major tourist project and plans to establish several marinas in the city was announced by the Jordanian Ministry of Tourism. By spring 1998, King Hussein, the Jordanian Cabinet, and the ARA concluded that hiring an outside consultant was the best way to convert the Aqaba region into a Freeport. The World Bank financed the USD \$1.2 million agreement between the ARA and a consortium, which was made up of three firms that specialized in free zones (Kardoosh 2005).

The consortium began a study of how to best transform Aqaba into a

Freeport, studying the existing infrastructure and services already present in the
city and evaluating the legal and governmental organization that was currently in
place. Their findings concluded that the ARA lacked operational autonomy and that
their relationships with other departments were poorly defined and problematic.

The consortium's report urged that the Aqaba SEZ president should report directly
to the country's prime minister and the president should also be granted significant
authority over economic planning, investment promotion, industrial estate
management and marketing, privatization and private provision of public
infrastructure, environment regulation and monitoring and licensing, permits and



approvals. They also recommended that Aqaba be dissolved as a municipality and to permanently designate the SEZ president as the Aqaba Region Governor to make sure that the governate's policies met the interest of the Aqaba SEZ (The Services Group 1999). This study was presented to Prime Minister Abdurra'ouf Rawabdeh's government, which was the first to have been formed under King Abdullah II, but the Cabinet was divided over the aggressive plan proposed for Aqaba and froze the project.

When King Abdullah assumed power after his father's death in 1999, he spoke of transforming Jordan into a central hub for transnational capital. He quickly surrounded himself with what has come to be referred to as "the Abdullah Generation", a group of young, globalized urban elites with few or no tribal or ethnic networks (Parker 2009). This group soon established new institutions, such as the Executive Privatization Commission and the Economic Consultative Council (ECC), of which a majority of members represented some of the biggest private companies of Jordan. In 2007, King Abdullah reiterated this idea and stated that his main goal was "Our goal is to continue to aggressively develop the competitiveness of [Jordan's] economy, to ensure more rapid growth and to decrease the economy's dependence on foreign grants, thus helping us to graduate from reliance on aid to trade-led growth" (Jordan Business, April 2007).

With the influence of 'the Abdullah Generation', development zones began to appear across Jordan and the new King wished to expand upon the previously established Aqaba Free Port and to move ahead with the rebranding the Aqaba region as a much larger SEZ as a vehicle to enhance economic development. So, with



a personal push from the King, ECC took over the final stages of creating the Aqaba ASEZ and Parliament approved the draft law in July 2000<sup>48</sup>, with the intention of having the zone functioning by January 2001 but the actual start date was delayed, until early spring 2001 because of challenges faced in completing the formalities (Atlas Investment Group April 2001 op. cit. p. 29).

3.4 AQABA SPECIAL ECONOMIC ZONE AUTHORITY

Turning sand into Gold (ASEZA Slogan)

Aqaba and its surrounding area was set up as a Freeport SEZ, intending to sponsor variety off foreign development activities, including tourism, retail sales, residential areas, in addition to industry and they started out with overly optimistic expectations –US \$6,000 million in investments and creation of more than 70,000 jobs (Dougherty 2000: 5). Renamed the Aqaba Special Economic Zone (ASEZ), the restructured boundaries encompass 375² kilometres of southern Jordan around Aqaba. The ECC's plan was aggressive and promised to change the face of Aqaba starting with dissolving the ARA<sup>49</sup> and replacing it with a new entity, which would assume economic regulatory responsibility for the Zone and be known as the Aqaba Special Economic Zone Authority (ASEZA). ASEZA is a government-like authority that was developed to regulate all economic activities within the zone (FIAS and Bank 2008). The vision of ASEZA states that they want to make Aqaba a "world class"

<sup>&</sup>lt;sup>49</sup> The ARA still exists and is operational within the Zone but it is now semi-autonomous under the ASEZA umbrella.



<sup>&</sup>lt;sup>48</sup> Prime Minister Rawabdeh, whose government first froze the project in 1999, resigned in June 2000 after being heavily criticized for his policies, most notably his opposition to the ASEZ project. His replacement was Aburragheb, who had served as a key architect of the ECC's plan to transform Aqaba into an SEZ.

business hub and leisure destination, enhancing the quality of life and prosperity of the regional community through sustainable development" in addition to turning "the city and its environs into a driving force for the economic growth of Jordan and the entire Middle East" (ASEZA).

A former Transport Minister, Mohammad Kalaldah, was appointed as the first Chief Commissioner of ASEZA, which had been set up with five main branches: Administration and Finance, Customs and Revenues, Investment and Economic Development, Land, Infrastructure and Services, and Environmental, Regulation and Enforcement. The first task at hand, in early 2001, was for ASEZA to set up the legislative and administrative structures in order to launch the zone. Although the government had secured three years of financial technical assistance from USAID (USD \$15 million) and the EU (10 million euros), the process moved quite slowly which resulted in the King ordering the Commissioners to work faster. The Zone was to have officially launched on January 1, 2001, however it was behind schedule. Prime Minister Aburragheb blamed the delays on disagreements in Parliament and he promised to have the Zone's regulations and bylaws in place by January 25, 2001.

Some of the issues faced by the Commission in early 2001 included an opposition to the amount of authority that ASEZA was wielding, suggesting that a commission with that much power would be essentially be challenging Jordan's sovereignty in the region of Aqaba, creating a state within a state. Additionally, 40 members of the Lower House deputies signed a petition claiming questionable appointments in the ASEZ, citing favouritism and an imbalance of salaries. Article 13 of the ASEZ law states that the council members, or their spouses or sons, should



not have any "interest," of any kind in the ASEZA, nor should they have any "commercial ties" with companies or investors in the ASEZ (Kardoosh 2005). Lower House Deputy Shweikh, a former MP from Aqaba, charged, "it is clear that those employees are sons of officials and former ministers" (Kardoosh 2005: 19). He further claimed that no one from Aqaba were among the appointments.

Chief Commissioner Kalaldah denied these allegations, stating that the board employed a transparent system of recruitment, and that many of the jobs had been filled by former ARA employees. He went further to say that at least 20% of those appointed to the ASEZ customs department were from Aqaba. A requirement to work for ASEZA is that one must hold a university degree, which reduces the amount of qualified candidates from the Aqaba region. Historically, fewer people from Aqaba have attended university because of several reasons: no local university until recently, lower education levels because of a lack of qualified teachers in Aqaba<sup>50</sup>, and the cost of money sending a student to live and study in another city.

This criticism and concern of how ASEZA might overlook employing the local population continues to exist and is illustrated through an event that took place in Aqaba recently. After ASEZA laid off 61 local area employees earlier in 2012, two of these former workers threatened to commit suicide, either by setting themselves on fire or jumping off the roof of the ASEZA headquarters. In September 2012 the

<sup>&</sup>lt;sup>50</sup> During many interviews I was told that the level of education was much worse in Aqaba than in Amman beause of a lack of qualified teachers. Aqaba was not seen as a desirable place to work or live so it was difficult to attract high caliber teachers. This meant that teachers would have to teach subjects they were unfamiliar with when trying to prepare students for national standardized tests. Admission to university relies solely on the *Tawjihi*, a standardized test during the final year of high school. It not only dictated if you could attend a university, but which university and what discipline you could study. It did not make allowances for lower socio-economic regions.



current Chief Commissioner of ASEZA, Kamel Mahadin, along with a team from the Civil Defense Department and the Gendarmerie<sup>51</sup>, talked to the workers and managed to convince them not to go ahead with their fatal protest. Mahadin also made a promise that ASEZA, in addition to reinstating the 61 affected employees and would provide more employment opportunities for Aqaba residents by "establishing a number of temporary projects that would accommodate qualified local residents" (*Jordan Times* 2012).

Another complaint was that ASEZ was frivolous with its money, for example, leasing a new building for the commission at a cost of 100,000 JD per year when they could just renovate an existing one formerly used by the ARA. Municipal governments, such as the Amman Chamber of Industry, were critical of the size of tax breaks being offered within the Zone, fearing that it would divert investment from other areas within Jordan. The public sector was also criticizing the plans for an SEZ. A former Minister of Planning, Taher Kanaan, headed up the newly formed think tank, Arab Bank Center for Scientific Research, openly questioned the decision to create a SEZ in Aqaba and published many articles in both Arabic and English. In the end, however, the public discontent concerning ASEZ had little impact.

On May 17, 2001, King Abdullah formally launched ASEZ. Dr. Bilal al-Bashir,
Director General of Jordan Development Zones Commission and former ASEZA
Deputy Chief Commissioner, described today's ASEZA to me as a "legal independent entity within a framework of sustainable development in order to maintain [our]

<sup>&</sup>lt;sup>51</sup> The Jordanian Gendarmerie can be considered as a police force between the armed forces and the police. It is part of the Jordanian Security Forces, and answers directly to the Ministry of Interior.

natural resources". He further commented how the "central government had transferred almost all power and ownership of the region to ASEZA" and that ASEZA is "in charge of all the lives, population, and environment in Zone" (Interview with author 2010). What is key to understanding the level of power here is that even the electing of municipal officials was eradicated. As expressed by Imad Fakhoury, former ADC CEO, to political scientist Pascal Debruyne in 2009<sup>52</sup>,

I know what you are thinking...Why did they take away democracy? We chose to do away with the municipality and give direct responsibility to ASEZA, but we did it as a government and parliament! It was a deliberate trade off. The reason was the common and public interest instead of the private and smaller scale interest of only Aqaba. The effect is clearly a success. We have established a new governance model and an outcome of national growth instead of just "local" interests. The National Agenda, that resembles this national choice, gives a special status to Amman and Aqaba. These are the only places for employment.

Further, in 2010 ASEZA was granted the authority to issue work permits and tourist visas for people who will be solely in the Zone.

This concern over the amount of control that ASEZA has is still present a decade after the establishment of the Zone. In 2010, a now former ASEZA Commissioner for Economic Development and Investment Affairs explained to me how the ASEZA Board of Commissioners "can change regulations as they see fit" and that while they do coordinate with those few ministries that they do not have authority over, like the Ministry of Education or Ministry of Social Development, it only slows down their progress.

To be really dynamic and successful, we need 100% authority. The aim of any economic development is time because time is money. In order to be fast, you need to be light and autonomous. You add weight, even a small amount, and it will slow us down. Dependence on other ministries

<sup>&</sup>lt;sup>52</sup> Quote used with permission.



is like the hair on a cyclist's legs. It slows us down! (Interview with Salim M. Al Moghrabi, Ph.D, former ASEZA Commissioner for Economic Development and Investment Affairs 2010)

This desire of ASEZA to be as fully autonomous as possible serves as a division between the Authority and most Aqabawis. Aqabawis view ASEZ as but one aspect of their city while ASEZA sees the city as a component within their Zone. When speaking with Dr. Al Moghrabi in his office in Aqaba, he made reference to where we were in Jordan: "We are in ASEZA!" (Interview with author 2010).

# Role of Agaba Development Corporation (ADC)

From its inception, one part of the ASEZA organization planned to operate a private sector shareholding company that would be assigned as a "developer" to invest in infrastructure and promote the ASEZ worldwide. With an expected capital of \$100-\$200 million, the "developer" would be a consortium of foreign and local investors including the government (Kardoosh 2005). In 2004, ASEZA and the Government of Jordan launched the Agaba Development Corporation (ADC), with the goal of "unlocking the potential of the Agaba Special Economic Zone by accelerating its economic growth" (www.adc.jo), and they now own Aqaba's port, airport, and key parcels of land. Further, they hold all the rights to management and development of these locales, along with key infrastructure and utilities in the Zone. They are set up as a private shareholding company, with only two shareholders: the Government of Jordan and ASEZA, each with equal shares. When serving as the ASEZA's Commissioner of Economic Development and Investment Affairs, the current Director General of Jordan Development Zones Commission, Dr. al-Bashir explained that ASEZA is both a government authority and holds development rights



within the Zone, so they must play two roles: regulatory and development. He further stated, "We established a company (ADC) that is publically owned and divides labour between us...ADC manages the business and we manage the people" (Jordan Property 2009a: 38)

The mandate of the ADC is to "develop ASEZ through building new or expanding existing infrastructure and the required superstructure, creating business enablers for ASEZ, and managing or operating its key facilities". They intend to achieve this by "maximizing the attraction of private sector developers and operators" and further, they have the responsibility of implementing the ASEZ Master Plan<sup>53</sup> in order to integrate development and transform Agaba into a "leading business and leisure hub on the Red Sea" (www.adc.jo). In order to 'unlock' and 'transform' Aqaba, ADC focuses on five key areas: strategic assets, business enabling infrastructure projects, economic development, sustainable results and returns, and private sector ownership and operation. Their investment strategy is built around three key foci, or pillars: trade, tourism, and education. At the base of these pillars are technology, environment, and people (Jordan Property 2009b). As stated in Chapter One, ASEZA's original goal was to achieve USD\$6 billion of investment by 2020 but they have already far exceeded this target. Currently, there is USD\$20 billion of committed investment in the Zone, over half of which is designated as tourism development. According to Imad Fakhoury, a former CEO of

<sup>&</sup>lt;sup>53</sup> In 2002, ASEZA adopted a comprehensive Master Plan that encompasses development activities in the Zone for the promotion of urban, tourist, commercial, academic and other investment sectors. Developed planning already covers five special areas: Aqaba Town, the Port Areas, the Coral Costal Zone, the Southern Industrial Zone and the Airport Industrial Zone (http://www.aqabazone.com/?q=node/54).

ADC, about USD \$13 billion was invested thanks to the work of the ADC (*Jordan Property* 2009b).

The ADC also promotes itself as a socially responsible corporation with an invested interest in the local community, through the promotion of focused sustainable development projects and programs. They engage in three key areas for their corporate social responsibility (CSR): education, NGOs and the community, and health. In 2006 they began a scholarship for local students that covers tuition and a monthly stipend for ten Bachelor degrees, two Master degrees, and one Ph.D. In addition, they have adopted several local area schools, including the Abu Ayoub Alansari School for Boys located in Aqaba Old Town, the Alhumaimeh School for Girls in a small village about 50 kilometres from Aqaba but within the Zone, and the Kawla Bint Al Azwar School for Girls in Aqaba Old Town. Their adoption means that the ADC has helped with maintenance, supplies, labs, and the implementation of the first Career Center in a Jordanian public school (www.adc.jo).

In terms of working with NGOs and the community, ADC has established computer labs and language centres, developed partnerships with national NGOs, like the Jordan River Foundation (JRF) in order to evaluate the social and economic needs of Aqaba Old Town residents. They have also worked to promote economic projects for at-risk women and youth, and offered financial assistance to orphan families. Their work within the health sector includes updating equipment and providing supplies to the Aqaba Old Town Health Center, distributing medical equipment (wheelchairs, walkers, walking sticks, medical beds, etc.) amongst the residents, and running free specialist clinics (www.adc.jo).



# Attitude of Agabawis toward ASEZA

People here see ASEZA as 'salata' (salad) not 'sulta' (authority). (Long time Jordanian Aqaba resident and business owner)

The Agaba community tends to view ASEZA with mistrust and suspicion, along with assuming that the ASEZA staff view them as uneducated and backwards, while many policy makers within ASEZA -the majority of whom are not from Agaba -view the local population as an obstacle (cf. CHFInternational 2006; Garb 2008). On more than one occasion, it was expressed to me by officials in ASEZA, ARA, and ADC that "the people here are simple". In a community assessment report commissioned by USAID and Aqaba Zone Economic Mobilization (AZEM), it was noted that ASEZA feels the citizens of Agaba do not recognize the benefits they have received as a result of increased investment and development in the area. When a positive change is noted, "ASEZA is never recognized as the benefactor of the work being done. It is always the subcontractor being thanked" (interview with ARA Director 2010). At the same time, the community indicated that they feel numerous negative impacts as a result of the "drastic changes" occurring around them are specifically the result of ASEZA policies, including relocation –such as reduced access to the city centre and no form of public transportation put into place; cost of living increases although wages have not risen equally; influx of foreign employees; and being excluded from the decision making process involving changes to the community. This blame game has not been lost on ASEZA officials, "if somebody fall in the street, it is the fault of ASEZA" (Interview with Salim M. Al Moghrabi, former ASEZA Commissioner for Economic Development and Investment Affairs 2010)



Overall, many feel they have had no opportunity to voice their concerns about potentially negative impacts stemming from development. Further, there is a desire to see more tangible changes in their basic living conditions rather than minor cosmetic improvements to the city –sidewalks and pedestrian walkways, for example (CHFInternational 2006). Although AZEM projected that 50,000 new jobs will be created over the next several years, the majority of those will not likely be permanent, long-term jobs. Initially, the jobs will be in the construction sector, however, typically Egyptians are hired in these positions as they are paid lower wages than Jordanians (Garb 2008).

A recurring theme throughout my seventeen months of fieldwork was how Aqabawis viewed ASEZA itself, along with its employees, not just their perceived lack of involvement. A long time resident of Aqaba was almost wistful when talking about the early days of ASEZA,

The first commissioner of ASEZA was great. He would walk around the city talking to people to find out what they wanted and explaining the job of ASEZA. He really tried to bridge the two. He is the one responsible for all the sidewalks you see and Al Hammamat al Tuonesyeh St [a several block long park that runs down the middle of the main street in the city]. He is the one who started beautifying Aqaba (Interview with author 2009).

One business owner told me about how when he returned to Aqaba he was interested in joining the local Rotary Club, as he had been a member in Amman and also when he lived in the United States of America, but that "ASEZA is a closed club. The Rotary Club which is supposed to be representative of the Aqaba community is made up almost entirely of ASEZA workers" (Interview with author 2010). Another businesswoman told me about the 'town meetings' that take place in Aqaba.



The 'town' meeting with the new commissioner was a closed event. It was held at the Intercontinental Hotel and invitations were carefully checked of those entering. The people invited were the same people who were always invited. I think they have a premade list of people who have wasta [translates to nepotism or favouritism], but they do not actually represent the people of Aqaba (Interview with author 2009).

In terms of the perceived work ethic of ASEZA employees, residents of Aqaba also had much to say:

Did you know that the park on Al Hammamat al Tuonesyeh St has 150 employees that help keep it up? Of course, it is probably 100 managers and 50 people who actually do all the work! (Interview with author 2009)

If you go to ASEZA, no one is there. They are having a cigarette or taking a break drinking coffee. (Interview with author 2010)

Although, the newest ASEZA Commissioner, Dr. Kamel Mahadin<sup>54</sup> –the fourth commissioner in two years –seems to making a positive impression on residents and many are likening him to the first commissioner, Akel Biltji. He is often seen walking around town, speaking with business owners and sitting down to drink coffee with café patrons, and generally "whipping Aqaba into shape" (interview with Aqaba resident 2012). "Since he took over roads are getting re-paved, benches on sidewalks are being fixed, and more plants in public spaces. He has also removed all the street vendors from downtown" (interview with Aqaba resident 2012). Another Aqabawi also commented to me how Mahadin "pays surprise visits to food stores and restaurants, walks into the kitchens, tosses bad food on the floor. He did that at Safeway and closed their meat section. The place [Safeway] is still bad though" (conversation with Aqaba resident 2012). Of course, criticism for ASEZA as an entity

 <sup>54</sup> Dr. Mahadin, a landscape architect, took over as ASEZA Commissioner on August 2, 2012.
 He was formerly the Minister of Water and Irrigation and the founder of Middle East
 Academy for Landscape Architects (MEALA). He holds a doctorate in Environmental Design.



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is still present, as a long-time resident recently explained to me, "if they built institutions instead of individuals, it wouldn't matter who the new commissioner is" (interview with author 2012).

ASEZA breaks down its development agendas in the Zone into four distinct categories: Business, Tourism, Community, and Environment. The impacts of the planned (and realized) development projects overlap one another and each are transforming the physical, economic, and social landscapes of the city. For example, medical facilities, parks, commercial centres, tourism enclaves, factories, transportation hubs, education opportunities, and marine parks influence the manner in which Aqabawis negotiate and utilize their city.

Aqabawis recognize that there are both challenges and benefits that come with living in a region undergoing such rapid economic development. Perhaps their biggest complaint is that they feel overlooked. While ASEZA and ARA officials claim, "all the time, we involve the public and try to respond to their needs" (interview with ARA Director 2010), the general perception of Aqabawis is that this transformation is a process that is impacting them directly but that they have rarely been *sincerely* asked for their input on how to go about making this transition into a more economically and socially beneficial experience for the population of this new entity of ASEZ. The Aqaba Project Development Manager of the Jordan River Foundation, a national NGO, stated, "They see the changes happening in Aqaba but they don't feel part of it, like it is not for them. They could reject of damage investments if they don't feel part of it". He further suggested that there is a need for ASEZA to demonstrate that they are doing something *for* the people of Aqaba, not



just *to* their city, "if neighbourhoods see improvement then the wider city improvements may be better received" (Interview with Hassan Al-Tawara 2010). This idea was reiterated by the ARA Director, during a 2010 interview with the author, "ASEZA needs to improve their awareness program in order to change behaviour, change thinking in order for them to think they are part of the process". Further discussion of Aqabawis specific reactions and positions concerning the development changes their city is undergoing will take place in subsequent chapters.

#### 3.5 DESTINATION AQABA

As mentioned previously, the main form of tourism throughout Jordan is cultural tourism, focusing on archaeological and heritage sites while the city of Aqaba and its surrounding areas have adopted a noticeably different approach to tourism, on that concentrates on beach and adventure tourism (Cavanagh 2006). While other areas in Jordan do highlight adventure, such as hiking and camping in the Ajlun Nature Reserve, the wetland oasis of Azraq, the Dana Nature Reserve, or white water rafting in the Wadi Mujib, Aqaba has the three spatial factors that garner the greatest tourism interest: the sun, the sand, and the sea (Crick 1989). The presence of these factors has lead to a very specific land use that often results in spatial and economic segregation. According to Lopez-Lopez, Cukier, and Sanchez-Crispin (2006: 367), beach related tourism activities "have a physical location that it 'out of touch' with the local population and ...the prohibitive costs of these activities ensure segregation." As Aqaba is a mixture of beach and urban tourism, it must be



noted that the physical and economic segregation occurs not only in beach locales but also in the urban centre (López-López, et al. 2006).

This area boasts even more adventure tourism as the Aqaba Special Economic Zone now incorporates the Wadi Rum Protected Area. This area, similar to those nature reserves listed above, offers camping, climbing, desert trekking on camel back, and romantic reminders of the Great Arab Revolt –for example, the Seven Pillars of Wisdom, which was made famous by T.E. Lawrence's book. Recently designated as Jordan's fourth UNESCO World Heritage site, Wadi Rum features a varied desert landscape consisting of a range of narrow gorges, natural arches, towering cliffs, ramps, massive landslides and caverns. Just over 285, 000 tourists visited Wadi Rum in 2010, bringing in JD1.425 million in tourism revenue (Jordan Ministry of Tourism and Antiquities 2012).

While the ASEZA slogan boasts that Aqaba part of the 'Golden Triangle', which consists of the Red Sea, Petra, and Wadi Rum, the name "Jordan" is curiously absent, perhaps in an attempt to deterritorialize the area from the larger, problematic region of the Middle East. In an interview I conducted with a former marketing director of the ASEZA in 2005, he suggested the while they did not want to choose just one image of Aqaba since they wanted to promote the historical diversity of the region, they chose to promote Aqaba by emphasizing it closeness to Petra, since according to their surveys, more people have heard of Petra than have heard of Jordan (Cavanagh 2006). Approximately 231,000 tourists visited Aqaba



between January and June 2010 (al-Rawashdah 2011)<sup>55</sup>. Although, this is nowhere near the 493,000 visitors that visited Petra, Jordan's number one tourist site, during the same period (Petra National Trust 2011).

Although much of the advertising for Aqaba is aimed at the higher socioeconomic class of regional and international tourists, one of the largest visitor sectors is that of lower to upper middle class domestic tourists, especially during holidays. This influx of domestic tourists during *eids* can overwhelm the carrying capacity of economically accessible tourist infrastructure within the city resulting in many people having to sleep in their cars, on the beaches, or in public parks which the local population does not want. ASEZA estimated that 60, 000 visitors would come to Agaba during the most recent holiday, *Eid al-Fitr*, which marked the end of the holy month of Ramadan in August 2012 and attempted to make preparations "to ensure smooth commercial, tourist and economic activities and to facilitate visitors' safety and satisfaction", according to the current ASEZA Chief Commissioner Kamel Mahadin (Jordan Times 8/14/2012). As all levels of hotels and furnished apartment rentals were at 100% occupancy, a beach campsite was prepared to house the overflow and those who could not otherwise afford the cost of staying at one of the hotels. A common complaint among domestic tourists during their visits to Agaba is that they are faced with unreasonable prices for hotels and food, encouraging many people to visit places like Sharm al-Sheik, Egypt or in the past, traveling to Syria or Lebanon during their holidays. As one Jordanian dentist explained it to me, "We

<sup>&</sup>lt;sup>55</sup> This is actually a decrease from the previous year due in part to the Icelandic volcano erupting in April 2010 closing European airspace and disrupting North American and Middle Eastern airspace for almost a week, resulting in many holiday cancelations of Aqababound vacationers (Aqaba hotel employee interviews with author in 2010).



can't afford to use the city. I went to Dahab for 4 days for 200JD. [In Aqaba], I could stay for one night!" (2010).

The push towards an economy largely based on tourism within Jordan, and specifically as a way to increase employment opportunities in Aqaba, somewhat contradicts traditional values of the area. As Chatelard (2005) and Kelly (1998) point out, many Jordanians see a difference between offering hospitality to visitors versus working within the hospitality industry, which is regarded as a loss of status. A report issued by USAID (2008) echoes this sentiment, "...a career in hospitality is far from the minds of most young Jordanians, who traditionally see it as shameful". As such, much of the tourism industry in Jordan currently relies of foreigners (Lebanese, Egyptian, Filipino, etc.) to fill positions in hotels and restaurants.

This is not a sentiment exclusive to Jordan. As Naipaul (1962: 210) expressed, "Every poor country accepts tourism as an unavoidable degradation". However, the Government of Jordan has begun to heavily promote hospitality and tourism as a career choice specifically to Aqaba middle school and high school students. For example, one ASEZA initiative involves encouraging all students from grades seven through twelve, in both public and private schools, to consider a career in tourism by taking them on fieldtrips to a variety of historical and cultural sites, along with training teachers to promote the importance of tourism within the region (Luck 2008a).

In a very short period of time, the city has developed from a relatively isolated area with little in the way of foreign development, to one that has been "invaded" by new and culturally different investment groups. ASEZA's original



investment goal was to achieve USD\$6 billion by 2020 but they have already far exceeded this target. Currently, there is USD\$20 billion of committed investment in the Zone, half of which is designated as tourism development. A key research question in Chapter One asked: is the gaze of tourists and wealthier Jordanians, primarily from Amman, being privileged by these newly created spaces or are Aqabawis re-negotiating these spaces in the formation of their identities?

3.6 Summary

Once a vital trades crossroads for numerous ancient empires, Agaba lost much of its importance by the 16<sup>th</sup> century and remained a tribal outpost until the mid-20th century. The city has long suffered from economic and social marginalization. The focus on development has historically been related to tribal affiliations. Regional instability led to Jordan's need to explore the possibility of developing Aqaba as its main port. Researchers during the mid 1960s predicted that Agaba would only serve Jordan as a transit port and by the early 1970s, the first special economic zone was established in Agaba to serve this transit traffic. This step was what was needed to fuel the region and by the mid-1980s, the Agaba Regional Authority (ARA) was put in place to attempt to develop the southern region both socially and economically. The ARA was a body with more freedom and flexibility than a typical municipality to plan and develop. In 1994, a peace treaty between Israel and Jordan was signed and by 1996, concerted effort to develop Agaba had begun, specifically exploring the feasibility of converting the area into a mixed-use free zone. Although initiated under the rule of the late King Hussein, the vision for an Agaba economic zone was shaped and realized with the



encouragement of King Abdullah II. In 2001, ASEZ was established and came under the direction of the ASEZA, who promotes itself as a one-stop shop organization.

ASEZA was established by law as an autonomous regulatory, administrative, fiscal, and economic responsibilities to govern within ASEZ. Upon its creation, ASEZA effectively assumed the roles of the former ARA and the Agaba Governate.

In 2004, the Aqaba Development Corporation (ADC) was launched as the private sector and development arm of ASEZA. Ownership of Jordan's ports, Aqaba's airport, key parcels of land, along with all the development rights to these assets transferred from ASEZA to ADC. According to the ADC, it is charged with interpreting and implementing the governmental approved Master Plan for the zone and leveraging the value of the zone's physical and economic assets maximizing the use of public-private partnership. The role of ASEZA in the lives of Aqabawis is that of regulator and government authority. Its relationship with the local community is one of mistrust and rife with tension. Local residents perceive that ASEZA's only goal is to create an environment favourable to investors but with little concern about improving the day-to-day living conditions of the city's residents.

A key part of the mixed-use aspect to the Zone is tourism. The 'sun, sand, and sea' are a major draw and economic boost to the region as well over half of the US \$20 billion dollars of investment within the ASEZ is dedicated to tourism development. Both the Jordanian government and ASEZA have been working tirelessly to transform the negative image held by many Jordanians about working within the tourism industry, as it is seen to contradict their social and religious values.



#### PART TWO

### Introduction

# Excerpt of email correspondence from author to colleague (July 2006)

Speaking of research...when in Agaba I was shocked by how much construction is taking place and how it is completely changing, as small towns do, yes, but I don't think it is necessarily a good thing. It is not a cultural tourism that is being promoted but rather a tourism strictly to meet the needs of tourists. Almost making it into a Vegas or something. Does that sound strange? I guess what I mean is that in most places, especially here tourists are immersed into a history and culture. Yes, a slightly shining version of reality but at least the locals are somewhat in their own environment and they are able to share a bit of themselves. But what is happening in Agaba, now that it is a special economic zone, it is turning into a beach resort to the 10th degree. There will really be very little of the culture left when the building in finished. And it is not something that locals will be able to take part in. Even before most locals could not afford (money or culture/religion wise) go to many of the hotels/beaches or share in the profits from them but at least some could. A family from Amman might stay near the beach or go on the glass bottom boat tours or out in the paddle boats but most of that sort of stuff is now being run by the fancy hotels instead of local operators. Before, tourists would eat at local restaurants (although touristy at least Arabic) but now it is all American fast food places. In the year that I have been



gone 3 or 4 new fast food restaurants have opened up in prominent places. I am not sure how good this will be for the local economy. Yes, it will be profitable on a large scale but what about the shops in the souq now that 3 new malls are planning to open and stores like Adidas and Nike? I am not saying that the locals in Aqaba don't deserve these changes but I wonder what the impact will be. I am thinking about trying to come up with an angle on this as a possible research question, although I don't want to focus on the economic deterioration of the business but more on the cultural impacts on the area. Or maybe show that all of these changes don't really affect the locals. It just seems like their town has been taken away from them.

### **How Landscapes Define Us**

Our social and economic wellbeing are formed and experienced in terms of space and place, or as Clifford (1989: 188) aptly asserts, "To know who you are means to know where you are". Introduced in Chapter One, the terms 'space' and 'place' are not used interchangeably within this dissertation. Rather, 'space' is referring to an actual physical, geographical location while 'place' is referencing a space that has been imbued with cultural or social meanings by a person or people. Therefore, space is transformed into place when individuals and communities attach meaning to it.

The city of Aqaba, Jordan is a social place that has been forming over decades through complex power relationships between several stakeholders: the people who live there, the government agencies that control it, and the economic development currently reshaping both its space and the place. Some officials argue



that this place, over the last twelve years, has transformed 'Aqaba' into 'ASEZ'<sup>56</sup>, suggesting that the two places cannot coexist. However, Aqabawis do not generally see it in this light. Rather, they view ASEZ and the development taking place under its auspices are merely one aspect to their city. As Mills (2008: 385) states "the role of place sometimes supersedes the role of the state in processes of ...identity formation" because "memory and narrative are always grounded in locality, the relationship to place is constitutive of identity" (2008: 396)<sup>57</sup>.

The resistance to increased globalization within an area is often played out through localism. This idea manifests the desire to remain or return to an earlier notion of 'home', whether it be based in reality or if it is a longing for an imaginary, idealized past. These imagined pasts of organic communities are powerful as they further anchor emotions and metonyms to a space, creating place and locality (cf. Hall 1991; Pearson 1985; Turner 1987). However, in contrast to the warm, nostalgia that often accompanies idealized localized identities, Bauman (2001: 4) suggests that community is a constricting construct that suppresses individual identities in favour of loyalty and conformity.

Locality is dependent on and a result of a variety of natural and social structures, which are further subject to contextuality (cf. Cooke 1990; Sayer 1984). Gupta and Ferguson (2002: 67) suggest that it is "by always foregrounding the

<sup>&</sup>lt;sup>57</sup> The term 'local' and its spin-offs (locality, location, localization, etc.) stem from the concept of a bounded space, which encompasses strong kinship ties, a distinctive social memory, along with a significant length of resistance (cf. Bell and Newby 1971; Cohen 1985; Cooke 1990; Hale 1997; Moore 1997; Walzer 1983). The concept carries with it certain assumptions of a homogenous yet distinctive community and it is this uniqueness that transforms a space into a place (Featherstone 2003).



<sup>&</sup>lt;sup>56</sup> I draw your attention to a statement made by an ASEZA minister to the author, introduced in Chapter Three, "We are in ASEZA" rather than in Aqaba.

spatial distribution of hierarchical power relations", that will help bring understanding of the process of how a space becomes an identity of place. Using the landscapes of a particular place as texts can illustrate how social differences within a community, be it class, ethnicity, gender, age, or other markers, are continually renegotiated and help to enact identity through the various '-scapes'. As mentioned in Chapter One, I am drawing on Appadurai's (1996) concept of the suffix "-scapes"—which he pairs with the prefixes of ethno-, media-, techno-, finance- and ideo –to serve as a guideline for understanding that relationships between social dimensions are constructs shaped by the historical, political, and cultural past of each group (Appadurai 1996). Additionaly, these various "-scapes" remind us that the spatial rendering of the present is not one that is static but rather, fluid and, further, these '-scapes' are cultural products that both reflect and reproduce social realities of the environment (Mills 2006b).

In order to understand urban space, one must draw on the knowledge of the people who live and experience it (Rotenberg and McDonogh 1993). Within cities, the dominant identity promoted by policy makers typically encompasses only part of the city, often devaluing and marginalizing the other stakeholders living and working in the city (Sassen 2007: 212). What are thought of as 'official' identities change as the city itself is transformed through political adjustments, globalization, tourism development, and commercialization (cf. Evans 2002; Ghannam 2002; Harrill 2003; Hoffman 2003; Jacobs 1992; Jeong 2004). These transformations may provide opportunities of empowerment for marginalized populations, who can



attempt to broaden the dominant local identity by taking advantage of new economic opportunities and increasing their agency within the city.

# ASEZA's Planned Development

Although initially hoping to attract \$6 billion USD of development, over the course of 11 years, ASEZA has managed to entice \$20 billion USD of investment to the Zone, which can be broken down into the following development categories: light/heavy manufacturing (20%), industry (13%), and tourism (67%). A key to this success is credited to the autonomy of ASEZA and ADC, which serves as a "one stop shop in order to make development easier and faster" (Interview with Dr. Al Moghrabi and author in 2010). Dr. Al Moghrabi (2010) went further to say that investors "should receive answers within a few days or even automatic approval for certain types of development." Also considered to be helpful is that while there is an ASEZ Master Plan<sup>59</sup>, which dictates conditions and requirements of proposed development, "the ASEZA Board of Commissioners can change the regulations as they see fit to enhance economic development" (Interview with Dr. Al Moghrabi and author in 2010). However, the ASEZA Commissioner of the Environment was given veto power in order to stop an economically yet environmentally unfriendly project.

The current ASEZA website, www.aqabazone.com, provides a somewhat dated listed of development projects that have either taken place or are planned for

<sup>&</sup>lt;sup>59</sup> According to Dr. Al Moghrabi (2010), "A new ASEZA Master Plan is being developed to reflect the changing and high amount of development".



<sup>&</sup>lt;sup>58</sup> This breakdown was provided to the author during an interview with Dr. Salim M. Al Moghrabi, former ASEZA Commissioner for Economic Development and Investment Affairs in 2010.

the Zone. Although Salim Al-Moghrabi outlined the development in ASEZA as being manufacturing, industry, or tourism related, the website breaks down the development projects into more specific categories, including commercial, education, tourism/real estate, health, industrial, development, and transportation/logistics/warehouses. These projects will be discussed throughout Chapters Four and Five, exploring not only the economic and social impacts but also the physical impacts they are leaving upon the landscape of the city. Table XX provides a brief overview of all the projects listed on the website, along with their current status.



### CHAPTER FOUR

### SHIFTING ECONOMIC LANDSCAPES

#### 4.1 ASEZ IS OPEN FOR BUSINESS

Turning Sand into Gold (ASEZA motto)

Part of ASEZA's master plan outlined specific economic goals it intended to meet by 2020, including the creation of 70,000 job opportunities, attracting investments worth at least USD \$6 million, and securing investments in infrastructure of up to USD \$750 million by private developers. They promoted that by meeting these economic goals they would, in turn, improve the standard of living of those living within the Zone by giving priority to Jordanian labour and collecting revenues to support social and public services for the local community. In order to attract these investors, ASEZA offered a collection of economic incentives that included:

- 1. Flat 5% income tax on the net profit
- 2. Exemption from social services tax
- 3. Exemption from annual land and building taxes on utilized property
- 4. Exemption from taxes on distributed dividends and profits
- 5. Duty-free import of goods in commercial quantities
- 6. No foreign equity restrictions on investments
- 7. No foreign currency restrictions
- 8. Full repatriation of profits and capital
- 9. Stream-lined labour and immigration procedures through the one-stop shop
- 10.100% foreign ownership
- 11. Up to 70% foreign labour
- 12. Full guarantees on rights and ownership



By 2005, ASEZA boasted having 753 enterprises registered in the Zone, committing approximately USD \$1.27 billion and creating 11,996 jobs (Al Rawashdeh and Smad 2010). However, ASEZA came under criticism with these heavily advertised numbers, as people could see that the reality on the ground was much different. In a study undertaken by Jordanian researchers, Al Rawashdeh and Smad (2010), it was determined that the active economic enterprises were far less than the numbers heralded by ASEZA. For example, between 2001 and 2005, only 304 of the 753 registered enterprises were actually in a development or operational stage. The capital derived from these active projects was only USD \$833 million and were employing just 4494 workers. They cite a lack of follow up by ASEZA with the companies as a key reason for such a low number of active companies and recommend that a special division within ASEZA be created to ensure follow through. Al Rawashdeh and Smad (2010) suggest that many of these companies only registered for a brief period of time in order to benefit from key incentives while other companies did not find the incentives valuable to either commence their projects or to stay for very long. They go even further to state, "we notice that the ASEZA administration, in its annual reports and press conferences, announces huge investments that are not, in fact, real" (2010:38), a strong accusation against ASEZA, but one that many Agabawis also verbalized during interviews and conversations. Examples of these exaggerations and overly generous estimations will be highlighted throughout the discussion of the various development projects.



### 4.2 KEY ECONOMIC DEVELOPMENT PROJECTS

ASEZA's Master Plan identified six key areas to be addressed in their initial development of the Zone. First, the plans for Agaba Town intended to complement the traditional aspects of the city while making it an inviting location for investors focusing on tourism, commercial opportunities, and residential development. The second area is the port, whose areas include the Main Port, the Container Port and the Southern Industrial Port. According to the Master Plan, these three will be combined into a single location closer to the Saudi Arabian border, making room for the existing area to be transformed into an entertainment driven port. The third zone, the Coral Costal Zone was planned to host hotels, residential communities, and entertainment all closely tied to the beach and sea. The Southern Industrial Zone was going to undergo expansion and reorganization, including new transportation facilities like the new combined port and a railway terminal. The Airport Industrial Zone was zoned for industrial facilities, logistics and distribution, high-tech industries, warehousing, light manufacturing, showrooms, office complexes and airport-related business activities. The sixth zone is that of the environment. The Master Plan outlined the need to protect and preserve the area's natural resources, including coral reefs, archaeological sites, nature areas, and the beaches. In terms of economic development, the breakdown of development types fall into three categories, along with the percentage it contributes to the overall plan: 13% industrial, 20% light/heavy manufacturing, and 67% tourism, which includes hotels, residential development, and retail operations (interview with former ASEZA Commission for Economic Development and Investment Affairs, Salim al-Moghrabi



in 2010). The discussion that follows in both the remainder of the current chapter and Chapter Five focuses primarily on the economic and social impacts of the largest development sector, tourism, on the city itself as well as its residents.

# **Commercial Projects**

One of the earlier ASEZA projects completed was the Agaba Gateway, which is described as an "entertainment and commercial centre located near the Southern Coast of the ASEZ at a total area of (10) thousand square meters with a total cost of US\$ 7.75 million" and advertised the possibility of 200 employees (http://www.aqabazone.com). This project was designed as an outdoor mall, with space for 33 retail shops, 6 restaurants and cafés, along with "a multimedia experience cinema" – the only Imax theatre in Jordan<sup>60</sup>. Opened in 2004, and located at the end of the main thoroughfare of the city, quite close to the sea (see Figure 2), this complex houses the city's only McDonald's -which has recently expanded, nightclubs, along with several Jordanian-owned, internationally-themed restaurants including a Chinese restaurant and an Irish pub. There is also an ice cream shop and a small café. Currently there are only a handful of souvenir shops at this location and much of its space goes unused. Restaurants, retail shops, and entertainment have all been shutting their doors at the Gateway recently, including a Lebanese restaurant, a Quizno's Sub restaurant, a Brazilian-owned bathing suit shop, along with the theatre (although it is remains a heavily promoted feature within Aqaba) and a café

<sup>&</sup>lt;sup>60</sup> This theatre played only one film about the history of Jordan with key touristic sites highlighted and it is has showings in both Arabic and English. It has a very small seating area, with wooden platforms as seats (which do, from time to time) begin to shake during scenes discussing earthquakes in the area).



called "F.R.I.E.N.D.S" (logo like the television show of the 1990s) –although it is unclear as to whether the café is closed permanently or just for renovations<sup>61</sup>. The quality of the remaining restaurants is diminishing and one long-time resident of Aqaba commented to me, "Formosa's [the Chinese restaurant] food isn't as good as it used to be and several of us stopped eating there" (interview with Aqaba resident 2012). Although relatively new, this centre has already seen the need for an independent marketing study, undertaken by a firm in Amman, in order to identify possible ways to improve the performance of the Gateway, rebrand its image, and to "inject a more vigorous life into the Gateway....and make it an attractive destination for investors and visitors" (SADDA Marketing and Business Solutions).



Figure 4.1 Aqaba Gateway. Photo by author 2010.

A second commercial project is called the Dream Mall, an 8000<sup>2</sup> meter retail facility costing US \$2.8 million, located in downtown Aqaba. Once again, the ASEZA websites describes it as "an entertainment and commercial centre" and suggests

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<sup>61</sup> These updates were provided to me by an Aqabawi in September 2012.

that it would create 70 job opportunities. The mall is advertised as hosting "many luxury international retail shops, a supermarket, commercial offices and a restaurant" although in reality, there are only a handful retail shops inside (http://www.aqabazone.com/?q=node/356). The bank and restaurant, while attached to the mall, have their entrances actually outside of the mall. Opened in 2005, many Aqabawis overlook shopping in the Dream Mall as they feel it is full of overpriced goods. As one female resident exclaimed to me, "Dream Mall still sucks. It is overpriced compared to Shweikh Mall" (interview with Arabic-English bilingual speaking Aqaba resident 2012).

Another commercial project, Shweikh Mall completed in 2002, was constructed in a residential area several kilometers from the downtown area. Initially reported by ASEZA to be an investment of US \$17.5 million, this centre ended up costing US \$12 million and is 34,000² meters in size. It is home to a grocery store, a popular local bakery chain, a few cafés, pharmacies, and a large retail area –part of which is referred to as 'China Town', along with panoramic restaurant. The current ASEZA website suggests that this project was likely to generate upwards of 150 jobs but the same website in 2008 promised upwards of 500 job opportunities (www.Aqabazone.com 2008). Although it is not possible to get an accurate count on the actual number of employees today, it is definitely more of an economic success than the Aqaba Gateway or the Dream Mall. "Shweikh mall is doing real well. They are always bringing in new stuff and it is always crowded over the weekend" (Interview with Aqaba resident 2012). Possible reasons for this is its location within a residential area and that its targeted audience was actual



Aqabawis, rather than a combination of local residents and tourists. While some of the retail stores are slightly more expensive most are financially accessible to those living in the surrounding neighbourhoods as compared to the touristic and international stores in the city centre. The restaurants and cafés at Shweikh Mall are also geared more towards a local cliental both in terms of price and menu options. Additionally, new stores and cafés are opening regularly at Shweik Mall, which has served to keep the interest of the local residents.

The Ayla Park Plaza (also knows as the Ayla Commercial Center or Agaba Shopping Center) is another example of a more successful ASEZA development project. Replacing a children's park and located in the city centre, this 14,000 square meter project opened in 2006. Costing US \$ 5 million and expecting to create 300 job opportunities, it consists of two office buildings, numerous retail shops, a spa, international fast food restaurants (Burger King, Pizza Hut, and Popeye's which were promoted as "world-class restaurants" on the ASEZA website in 2008), and a regional coffee shop that resembles the ambience of a Starbucks. This space has developed into a 'place' within the city, fulfilling a variety of niches for the local population. While in the downtown, it is more of a destination for Agabawis and the local ex-patriot population rather than short-term tourists. Among the more popular stores here is a small computer store, of which there are only a few in the city. The coffee shop, Gloria Jeans, is also a popular destination for younger or more cosmopolitan Aqabawis. The specialty coffee drinks, pastries, and free internet wi-fi service helps to create a more Westernized place for people to either hang out with



friends or to feel comfortable sitting alone reading a newspaper or surfing the internet.

The plaza is accessible from both the front and back, making it a place that people are comfortable walking through and connecting two areas of the city that were previously not, as a large wall once divided the areas. On the front side, it faces a newly built green space and a residential neighbourhood, but recently a new, small, low-rise commercial building was constructed directly across from the plaza and houses a pharmacy and residential rental agency on the ground floor and medical offices on the upper floors. On the backside of the plaza there are numerous cafés and restaurants that line the U-shaped road it backs onto, mixed with a few small retail shops. Because the road is not a thoroughfare, cars drive slowly and there is little parking available, creating a pedestrian friendly space that comes alive in the evenings, as local people make use of hookah bars and outdoor eating areas.



Figure 4.2 Ayla Park Plaza. Photo by author 2010.



The final commercial project I would like to introduce is Aqaba City Centre, "a shopping, entertainment, and commercial district", reportedly costing US \$ 9.8 millions and located slightly north of the city (www.aqabazone.com 2008). It intended to fill its 25,000 square metres of space with retail shops, supermarkets, banks, restaurants and cafés, along with "hosting over 150 outlets of international brand products...an entertainment centre and a bowling alley" and supporting 400 job opportunities (www.aqabazone.com 2008). It boasts being the duty-free shopping destination in the city and that it offers free shuttle bus service to and from the high end hotels, in the late afternoon six days a week. The other target market for this centre are those visiting Aqaba by car, as it is an easy destination to stop at as you are entering the city or leaving. Perhaps because it is not marketed as a local shopping destination, few Aqabawis make use it, leaving the space feel quite cavernous and bare inside most of the time.

As with the Aqaba Gateway and Dream Mall, the Aqaba City Centre has not yet fulfilled its potential. As mentioned, it is located several kilometers north of the city, in a space that ASEZA is attempting to develop into the *new* downtown. It is in close proximity to the University of Jordan-Aqaba campus, the new campus for the Princess Haya Military Hospital, the newly developed neighbourhood of al-Karameh<sup>62</sup>, and the new yet still unfinished headquarters to ASEZA. With little in the way of public transportation to the outskirts of the city, one would either have to have access to their own vehicle or take a taxi out to Aqaba City Centre. Additionally, there is little reason for people to make their way there as much of the building sits

<sup>62</sup> The University of Jordan-Aqaba, the new Princess Haya Military Hospital, and the neighbourhood of al-Karameh will be discussed at length in Chapter Five.



empty. There is a duty-free like store, which sells the promised international brandname products, along with a few other small stores, including a small home
decorating goods store and a Swatch store. There is also an indoor play area (for a
fee) for kids, which includes a ball pit and arcade games. So far, the promised
bowling alley has yet to materialize. Perhaps when the other spaces in this area are
fully developed and operating, more people will view this commercial space as
worthwhile using.

# Tourism/Real Estate Projects

According to the ASEZA website, there are nineteen tourism/real estate development projects planned within the Zone. The scale of these projects range from single hotels to entire gated enclaves housing multiple hotels, various types of residences, entertainment, sports, cultural facilities, and retail space –in other words, a nearly completely gated, private, miniature city. A few of these projects are situated south of the city proper and will have little impact on the residents of Aqaba save for possible employment opportunities while several others are drastically reshaping the physical landscape of the city itself. Several of the publicized projects have already been realized, however, a few of the larger projects that had been announced with much fanfare have quietly disappeared.

One such phantom project is the 2006 US \$5 billion sensational urban development project by the Lebanese company, Horizon Development Holdings<sup>63</sup>,

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<sup>63</sup> Horizon Development Holdings (HDH) is run by Bahaa Hariri, son of former Lebanese prime minister Rafic Hariri and brother of former Lebanese prime minister Saad Hariri. As of 2011, his net worth was estimated at US \$2.5 billion. Until 2008, he was also part of his family's construction company, Saudi Oger, which was until recently a key investor in Saraya Aqaba, another mega-development planned in Aqaba. HDH has another project in

which was to occupy 13.5 million² metres, eleven kilometres north of the city. It was to include six major zones, including commercial, cultural, recreational and residential centres as well as other complexes and buildings, in addition to a warehousing and light industry zone. A statement by Horizon Development Holdings said the new large-scale development "will strengthen Aqaba as a whole, radically transforming its economic revival beyond cultural and tourist sectors into banking, retail, light industries, public facilities and services" (http://www.skyscrapercity.com/showthread.php?t=470055). This project was frequently discussed and lauded until 2009, after which it just seemed to fade away. No announcement was ever made saying that it was no longer going to happen. All that is left of it are the four glossy images, which are still floating around in cyberspace whenever you do a Google search for images of 'Aqaba'. Although never realized, this project led the way for numerous other enclaved, mini-cities to take root in the southern city.



Figure 4.3 Horizon Development Holdings 2006 US \$5 billion planned city 11 km north of Aqaba http://www.skyscrapercity.com/showthread.php?t=470055

Amman, Jordan, the US \$5 billion Abdali Project, which although actually started, is currently at a standstill, with two skeleton skyscrapers looming over nearly completed empty shells of buildings.



# Outside the City

Tala Bay, Red Sea Resorts, Coral Bay at the Royal Diving Club, Mansion Hills, Raya Seaside Residence, and La Azcazaba are a handful of the projects listed by ASEZA along the southern coast outside of Aqaba city. Some of these announced projects have yet to break ground, a couple have broken ground but construction has since halted (see Figure 4.2), leaving only the Tala Bay and Coral Bay at the Royal Diving Club projects to have been realized.



Figure 4.4 The Red Sea Resort, one of the resort developments where construction began but has now sat idle since at least 2009. Photo by author 2010.

A mega project planned for the southern beaches, ten kilometres outside of Aqaba, was that of Al Yemenia Heights, which included Raya Seaside Residence, Yemenia Heights Beach Club, and Mansion Hills. The first phase of this project was to be completed by 2010. The Beach Club was reported to cost US \$10 million and to cover a land area of 191,000<sup>2</sup> metres. A portion of this beach club was to be used by non-beach front hotels in Aqaba in order to be able to provide beach access to their



guests<sup>64</sup>. The Raya Seaside Residence was to include 189 residential units and large garden spaces. Mansion Hills, announced in 2008, was promoted as an integrated tourist city with a capital investment of US \$3 billion on 3.1<sup>2</sup> million metres.

Supposed to be comprised of 27,000 residences, along with chalets, high-end hotels, restaurants, shopping malls, theatres, health clubs, and a water park, the land for this project remains a desert. It was also in this space that the foreign universities were to establish their campuses. These unrealized development projects remain included in the USD \$20 billion figure that is frequently quoted by ASEZA officials when they are attempting to illustrate how successful of an entity they have 'proven' to be, along with being promoted on the ASEZA website.

Similar defunct projects planned for outside the city proper include La Alcazaba, a residential city project intending to cover a total area of approximately 285,000² metres of land at the northern entrance of Aqaba at a cost of USD \$140 million. It is promoted as consisting of 580 Andalusia style villas "that will incorporate everything a resident in Aqaba would require high quality housing, shopping centers and tourist and entertainment facilities" (aqabazone.com). It also had a planned completion date of 2008. In a similar location to where this site was planned for, there is a relatively new, small residential area that is part of King Abdullah's 'Decent Home for Decent Living" program but it is a far cry from the lusciously landscaped oasis promised at the base of the desert mountains that surround Aqaba to the north. This USD \$7 billion affordable housing plan, aimed at

<sup>&</sup>lt;sup>64</sup> An association of non-beach front hotels was established in 2010 in order to work together to secure beach access for their guests. This will be discussed further when talking about how the beaches have transformed in Agaba.

providing low and middle income families, was unveiled in 2008 and promised that 100,000 houses would be built across Jordan over the next five years<sup>65</sup>. Referred to as "Sakan Kareem" –which means 'decent housing' –in the al-Ma'amil area, named after the industrial park that it sits beside that manufactures bricks.

One mega development project that has been a success and reached completion is Tala Bay. Located 14 km south of the city, Tala Bay was the first integrated resort and residential community in Jordan and one of the most important and largest ventures in Agaba Special Economic Zone to date. Construction began in 2002 and the project encompasses 2.72 million metres and spans 2 km of beachfront. A gated community, it consists of three residential areas with apartments and villas, a bank, a marina, retail space, restaurants, clubs, and cafés, along with having onsite medical facilities and grocery shopping. There are also three 4 and 5 star hotels currently operating, including a Radisson Blu, Moevenpick Tala Bay, and Marina Paza, with an additional two under construction (Hilton Hotel and Golf Course Hotel), as well as a beach club. Additionally, plans for a golf course are underway. Across the road from the Tala Bay enclave is a group of twelve dorms used to house Tala Bay staff, along with other workers from other development projects in Agaba that require temporary housing. It is reported that this project had a total cost of USD \$680 million. Intended to be a year-round community, most residents only use their apartments or villas as a vacation home

<sup>&</sup>lt;sup>65</sup> It was originally stated that these apartments would start at a price of USD \$33,000 and would be payable over twenty years but several Aqabawis commented to me that the starting price is actually closer to USD \$38,000 (http://www.arabianbusiness.com/jordan-unveils-7bn-housing-project-188525.html). In 2011, the central government's anti-corruption commission began to explore allegations of corruption within the administration of the housing project (http://www.alarabiya.net/articles/2011/02/23/138928.html).



rather than their primary residence. During the week, much of Tala Bay is ghost town. One full-time resident reported that during the workweek in the winters, there are rarely more than 10 residents (Interview with author 2009). Weekends and the summer months bring the part-time residents from Amman. This means that many of the advertised facilities, such as retail stores and restaurants, are only operational during the busy periods.



Figure 4.5 View of Tala Bay. Note the two lines of buildings in the upper left of the photo. These are partially constructed buildings of now defunct resort developments. Photo by author 2010.



Figure 4.6 Tala Bay http://www.talabay.jo/en/AboutTalaBay



A smaller scaled project, Coral Bay at the Royal Diving Club, has also been completed. 18 kilometres from the city centre, this 4-star hotel offers 69 rooms and is adjacent to the Royal Diving Club, although having opened 1986, was recently revamped and updated. The project, which was initially estimated to cost USD \$3.5 million ending up costing USD \$5.65 million, is expected to generate upwards of 80 job opportunities (www.aqabazone.com).



Figure 4.7 Coral Bay at the Royal Diving Club. A much smaller development undertaking but at least it is actually in operation. http://www.aquatours.com/jordan/aqaba\_coralbay.htm

# Within the City

The above-mentioned projects, or lack of projects, are located outside of the city of Aqaba and have little direct impact on the residents of the city, aside from limited employment opportunities or expensive beach access. In order to get to Tala Bay, one must have access to a car, otherwise a taxi will cost approximately 8JD (as of 2010) or rely on intermittent bus service (2JD per one way trip), all of which severely limit the typical Aqabawi from making use of their facilities. However, several high end hotels have recently been constructed, along with four mega-



projects including Saraya Aqaba, Ayla Oasis, Marsa Zayed, and the Red Sea Astrarium project (aka Star Trek theme park). Whereas residents of Aqaba may never see the gated community of Tala Bay, this set of projects is drastically restructuring the city itself, along with the residents interactions with it, whether they intend to ever use these new infrastructures or not.

Hotels

As Aqaba has been a seaside destination for such a long time, there has always been a number of hotels in the city, ranging from very low end to mid-range accommodations. When I first visited Aqaba in 1997, the 'big' hotels included a 4 star Radisson SAS and the Lebanese owned 3 star Aquamarina chain, which included a beach front hotel beside the Radisson and another hotel located more centrally in the downtown –yet still only a 10 minute walk from each other). A hand full of other non-beach front 2 and 3 star hotels were found in the downtown area, some of which are still around today and whose clients are typically middle-class, slightly more religiously conservative Jordanians and regional tourists. Today, the Aqaba beach front has been consumed by 5 star international hotels, turning previously public beach access into private space<sup>66</sup>.

Working our way from the little remaining public beach access towards the western beaches, the first hotel is found beside the Aqaba Gateway and at the end of the main street in the city. The J.W. Marriot, currently under construction and set to open in 2013 (although originally was to open in 2011), is a 5 star luxury resort hosting 300 rooms on  $52,000^2$  metres. Not only is this hotel located on the

<sup>66</sup> This decrease in local access to beaches will be discussed in Chapter Five.



beachfront in the middle of the city, it is located at the edge of the public beach and beside community gardens. The land just a few metres up from the beachfront belongs to a handful of original Aqabawi tribes. The land is valued at such a significant amount that it is difficult for a developer to buy it outright. The government has also tried to encourage these tribes to trade their land for other tracts of land but they have thus far been successful in turning down offers to do so, in large part to the clout these tribal families hold, as some members have held political offices as high as prime minister of Jordan.

This land is rented out to locals for a small fee and they then plant small crops of vegetables, including carrots and radishes, and herbs, such as mint and thyme, primarily for their families' consumption, although some people do sell their produce on a small-scale within their neighbourhoods. One resident commented that this space between the downtown commercial space and the beach had been 'farmed' for his whole lifetime, at least 30 years (interview with author 2010).



Figure 4.8 Sign promoting J.W. Marriot hotel in Aqaba. Photo by author 2010





Figure 4.9 Lot where the J.W Marriot will be squeezedin between the Royal Yacht Club and the gardens. Photo by author 2010



Figure 4.10 Gardens by the beach. Please note the white fencing which surrounds the space where the new J.W. Marriot will be located. Photo by author 2010

Beside the J.W. Marriot hotel is the Aqaba Gateway, followed by the Islamic Ayla archaeological park. Beside this park in the Movenpick Hotel, which hosts 296 rooms, starting around USD \$200/night. This hotel was the first of the 'new' hotels in the city, opening in 2000. It occupies an interesting space, as the main hotel is located across the street from the beach with a bridge allowing hotel guests to access the narrow beach, the pools, and several villas. It is located directly beside a



small plaza that houses a variety of cafés and small groceries, along with the main bus terminal, the JETT Bus Company. The backside of the hotel is located at the end of a busy street that meets up with the main thoroughfare in the city and is approximately a 5-7 minute walk from the heart of downtown. Additionally, the backside of the hotel is just across the street from a popular neighbourhood in the city.



Figure 4.11 Neighbourhood directly behind the Movenpick Hotel. Within the green fence is part of an archaeological site. Also visible is the Saraya Aqaba construction site. Photo by author 2010.

Immediately next to the Movenpick is the Kempinski Hotel, the most recent beachfront hotel to open its doors. It sits on 11,760<sup>2</sup> metres of land and is reported to have cost USD \$30.8 million. It offers 201 rooms that supposedly all have a sea view (starting at USD \$220/night), a nightclub, six international restaurants, a spa, a wellness centre, a business centre, and a shopping arcade. It boasts that it will provide upwards of 350 job opportunities. The front of the hotel, which faces the beach and the Red Sea, is quite striking and appears to be almost entirely glass whereas the backside, which faces the street, is rather foreboding and more than



one Aqabawi commented that it reminds them of a prison and they do not feel as if they are welcome (interviews with author 2009 and 2010).



Figure 4.12 Kempinski Hotel across the street from Movenpick Hotel. The side of the hotel reminds local residents of a "prison". Photo by author 2010.



Figure 4.13 Kempinski Hotel seaside view. Supposedly all 201 guest rooms have a view of the sea. http://www.hotel-online.com/News/PR2009\_2nd/Jun09\_KempinskiAqaba.html

The Intercontinental Hotel is the next hotel along the beach. This USD \$63 million, 255-room 5-star hotel sits where the Aquamarina I and Radisson SAS used to be. Just beyond the Intercontinental to the west is the mega-project Ayla Oasis



and immediately across the street to the north is another mega-project Saraya Aqaba. A few other hotels have been built in the city, as well, although not directly on the beach. This includes the Domina Inn Hotel, which sits directly beside the Aquamarina II<sup>67</sup> in the city centre, within 2 blocks of three similar hotels (Captain's Hotel, Days Inn and the Golden Tulip), and its backside faces the Aqaba Gateway, along with being across the traffic circle from the forthcoming J.W. Marriot. The Domina Inn Hotel covers an area of 21,000<sup>2</sup> meters and cost USD\$ 33 million, The hotel consists of 175 rooms, a restaurant, two bars, a rooftop café to competes with its neighbour at the Aquamarina II, a congress hall, and a swimming pool. Initially announced in 2006, this hotel finally opened in 2011.

# Enclaved Mega-Projects

Four major mega-projects are currently under development within the city of Aqaba: Ayla Oasis, Saraya Aqaba, Marsa Zayed, and the Red Sea Astrarium project, which includes a Star Trek theme park. Similar in concept to Tala Bay, the gated residence/resort 14 km to the south of the city, but the key difference here is that the local population is directly impacted, whether they choose to use these new facilities or not as these projects are being built directly beside existing neighbourhoods and shopping/business districts, and in one case, resulted in an entire downtown neighbourhood being displaced and shifted nearly 8 km north of the city's downtown.

<sup>&</sup>lt;sup>67</sup> There have been five hotels under the Aquamarina name but only two remain open today, as the first, which was located directly on the beach, has since closed, along with IV and V more recently due to a lack of visitors. This chain is owned by Simon Khoury, a Lebanese businessman, for nearly four decades.



### Ayla Oasis

The slogan of the Ayla Oasis is "Ayla: Seaside living, reinvented", which is interesting as the space itself has been reinvented through extensive reshaping, not only with the building of infrastructure but also with the creation of an additional 17 km of coastline throughout the previous desert, militarized no-man's land between Jordan and Israel. The press release announcing the project in the *Entrepreneur Magazine*'s December 2006 promised "Ayla will transform Agaba's local economy and its coastline into nothing less than the Arabian Venice" (http://www.aylaoasis.com/news/arabianvenice.html). Originally it was planned for the first of the two 4-year phases of the project –including the lagoons, at least one hotel, the golf course and groups of residential and commercial units -to be unveiled by 2010. The global economic downturn has greatly impacted Ayla's progress but the lagoons were finally flooded in May 2012<sup>68</sup> and one hotel, along with some apartments are nearing completion as of September 2012. The Ayla Oasis Development Co., which is run by Arab Supply and Trading Corporation (ASTRA) -a Saudi group of diverse companies – is one of the few who keeps an active website, providing not only written descriptions of the progress being made but also areal photographs of site, clearly showing what has and has not been accomplished since June 2009, on a near monthly basis.

<sup>&</sup>lt;sup>68</sup> Beginning on April 20, 2012, the entire process of filling the lagoons took four days, punctuated by several smaller milestones as the water spilled from one lagoon to the next through the series of cascading dams. The next phase of construction includes excavation activity for the connection between the Lagoons and the Gulf of Aqaba (http://www.appliedtm.com/news/ayla-oasis-project-reaches-important-milestone).



This project, the largest of the four planned within the city, is estimated to cost USD \$2 billion and, in addition to the creation of 17 km of coastline, will include a variety of hotels (providing 1540 rooms), 100,000<sup>2</sup> metres of retail and commercial space, 2884 residential units, a marina, a golf course (designed by professional golfer, Greg Norman), a golf academy, along with other recreational facilities such as restaurants, cafés, a water park, and a science museum.

Located at the northwestern end of Jordan's coastline, directly beside the Jordan-Israel border and immediately behind the King Abdullah's Summer Palace in Aqaba, where peace talks have taken place in recent years. The space was previously a militarized zone and also encompasses the well known yet little excavated archaeological site of Tell al-Kalifeh, an iron-age settlement originally thought to be of King Solomon. The lagoons<sup>69</sup>, which in places are 1 km long and .5 km wide, cover 75 hectares of the 450-hectare area the development sits upon. It stretches from the coastline straight north, neighbouring Saraya Aqaba and several preexisting Aqabawi residential areas, including Makhdood, and Rimal. The managing director of Ayla Oasis Development Co. explained in the 2008 press release, "Ayla will create job opportunities for the people in Aqaba and for Jordan. We will create between

<sup>&</sup>lt;sup>69</sup> As Arun Kumar, a professor at King Fahd University of Petroleum and Minerals in Dhahran, Saudi Arabia noted about the artificial islands in Dubai, I was unable to locate any environmental impact assessment concerning the lagoons and canals of Ayla Oasis or for the lagoon of Saraya Aqaba. If they were done, the information is not available in the public domain currently. (http://www.greenprophet.com/2009/03/gulf-urban-islands-disaster/). The only environmental assessments that I was able to find who completed it (but not get access to) were for the proposed Red-Dead Canal and the Aqaba port relocation. A 2010 United Nations Development Programme (UNDP) report states that all the development projects in Aqaba "were all subjected to detailed environment impact assessments and involved in the "Local Social Responsibility" initiative that is supporting schools, scholarships and other community-based developments." (p. 22)

4000 and 5000 permanent jobs. A study last year found that with every job created in tourism, there are four indirect jobs created through suppliers, contractors, etc., so that's a very large impact in the community"

(http://www.aylaoasis.com/news/arabianvenice.html).



Figure 4.14 This is the original artistic vision of what Ayla Oasis will look like. http://www.360east.com/?p=396



Figure 4.15 This image of Ayla Oasis is from late 2009. You can see the outlines of the canals, along with how where it is situated. http://www.skyscrapercity.com/showthread.php?t=337391





Figure 4.16 The 17 km of lagoons at Ayla Oasis were flooded in early May 2012. The area blurred out is King Abdullah's Summer Palace. http://playersbrief.com/archives/251

Arun Kumar, a professor at King Fahd University of Petroleum and Minerals in Dhahran, Saudi Arabia noted that no environmental impact assessments about the artificial islands in Dubai were made available to the public and questions if they were even done in the first place (Kloosterman 2009). While several sources, including the United Nations Development Programme (UNDP) and several consultancy firms, state that environmental impact assessments were carried out for the various projects carried out in Aqaba, I was unable to locate any of the assessments concerning the lagoons and canals of Ayla Oasis or for the lagoon of Saraya Aqaba. The information appears to not be available in the public domain currently.

The environmental assessments that I was able to find indicated who completed it –but could not get access to them – and were for the proposed Red-Dead Canal and the Aqaba port relocation. A 2010 United Nations Development Programme (UNDP) report addresses some environmental concerns and states the

development projects in Aqaba "were all subjected to detailed environment impact assessments and involved in the "Local Social Responsibility" initiative that is supporting schools, scholarships and other community-based developments" (p. 22).

However this report goes on to list several possible negative impacts because of the various forms of development underway, specifically mentioning that because of the high nutrient loads found in coastal lagoon waters, coral and marine life could be permanently damaged due to anoxia, which essentially serves to strangle the environment. Further, marinas bring about destruction to coral reefs through anchors being dropped. Even more concerning is that the report contradicts its earlier statement where it said that all of these developments underwent an environmental impact assessment.

The rapid rate at which the development of Aqaba's coastal areas is occurring, and, in some cases, the lack of comprehensive marine ecological studies conducted to assess and monitoring the potential negative impacts of these developments. Furthermore, while an environmental impact assessment (EIA) is produced for many new development projects, the regulator (ASEZA) appears to lack the capability to monitor the effects and mitigation efforts of the development. Alternatively, some development projects appear to have only to pay a compensation cost to the regulator, rather than actively carrying out mitigation activities to maintain or repair the damaged environment. (29)

The long term impact of developments like Ayla Oasis, and the other projects underway in Aqaba will not be know anytime soon but without keeping development accountable, the coral reefs that Aqaba is famous for will not survive much longer. The UNDP advises ASEZA in this report to increase awareness about



the unique coastal environment, focusing on both the environmental and financial benefits of maintaining this unique coastal environment<sup>70</sup>.

## Saraya Agaba

Ayla Oasis's neighbour is another mega-project, albeit smaller in scale, Saraya Aqaba<sup>71</sup>. The project comprises of approximately 63 hectares and combines six 5-star hotels<sup>72</sup> (adding 1200 rooms), an old-style *souk* (market) for shopping, dining, entertainment, a water park, a convention centre, wharf promenade, residential neighbourhoods made up of beach front villas, town houses and apartments, and other cultural activities within the context of an "authentically styled ancient city" (http://www.adc.jo). They are also creating a 1.5km long lagoon that opens to the Red Sea. The total project cost is estimated at just over USD\$ 1 billion and construction on this site began in mid 2006.

<sup>&</sup>lt;sup>72</sup> These hotels will be operated by Jumeirah, Starwood Hotels and Resorts Worldwide, Inc. (Westin), and Nikki Beach EMEA Hotels and Resorts Limited. Jumeirah is the same company who owns the artificial islands in Dubai.



<sup>&</sup>lt;sup>70</sup> Using the Travel Cost Method [TCM] and Contingent Valuation Method [CVM], the UNDP calculated the economic value of ecotourism as a service of the Aqaba coral reef ecosystem to range from about 24.6 million US\$ to 49.2 million US\$. They suggest that in 2008 alone, the total recreational benefits of the Jordanian coral reefs were estimated as JD 19.5 million. (UNDP 2010: 35)

<sup>&</sup>lt;sup>71</sup> Saraya Aqaba is a private Jordanian shareholding company, whose founding shareholders include Saraya Jordan, Jordan's Social Security Corporation, Aqaba Development Corporation (ADC), and the Arab Bank.



Figure 4.17 Plan for Saraya Aqaba http://www.zawya.com/story/ZAWYA20080217093644/

Although Saraya Aqaba has taken a similar approach to the Ayla Oasis website, showcasing photos where progress has been made, Saraya Aqaba has been the subject of gossip, rumours, economic scandals, and bad press both in the media and amongst conversations with the local population whereas Ayla Oasis has not. Delays in construction, supposedly running out of capital, laying off workers, and the entire project bailing outright are but a few of the "reports" that have been in circulation the last few years. When asked why there seems to be such a disconnect between what is being reported and the 'truth', the local site manager of Saraya Aqaba suggested to me that "The negative gossip is there because there is no communication in the city", pushing the blame onto ASEZA and their well-documented communication challenges with the local population. He also laid part of the blame on Aqabawis themselves, "The people of Aqaba refuse to accept change

until they see the benefits, they will fight until they see the peace" (interviews with author 2010).

Of course, it could simply be a matter of locale. Although both projects are being developed across the street from local neighbourhoods, the construction at the Saraya Aqaba site is clearly visible to people driving by or walking down the sidewalk. The active construction on the Ayla Oasis site, however, is much further away from the public eye and mostly behind large fences, hence, perhaps also out of the public's mind. It is likely a combination these factors as during one conversation with an Aqabawi who worked in a downtown bank it became clear that he did not even know about the Ayla Oasis project or that a mega-project was under construction less than 1.5 km from his place of work (Interview with Aqaba resident 2010). This was reiterated during an interview with a computer engineer living and working in Aqaba, who frustratedly shared "I only learn about new projects when I see them on the street... I have never seen anything on TV or anything...the problem here is when I am sitting in the home, I have no way to hear about anything" (interview with Aqaba resident 2010).

Back in 2009, there were reports that the project would experience any delays due to financial problems, to which the company issued a statement denying and stated that they were in the middle of negotiations to secure the remainder of their USD \$1 billion costs. Originally set to open in 2010, people who have purchased the residential units are understandably concerned over the continuous delays. When I spoke with the local site manager of Saraya Aqaba in June 2010, he reported that the new launch goal for the residential areas was 2011 and 2012 for



the hotels. He also claimed that 63% of the residential units had been sold, five alone that month. In February 2012, reports of Saraya Aqaba officials setting up negotiations with these owners made the news. Saud Soror, General Manager of Saraya Aqaba, when commenting on the client discussions to be help, said, "We understand a number of home buyers have been frustrated due to the delays in the delivery of housing units, and are determined to find the necessary solutions. We want to re-set the dial in our conversations with our customers. We do appreciate the patience of all of our customers and we look forward to addressing their needs within the coming weeks." (http://www.highbeam.com/doc/1G1-278865969.html).

While in Aqaba in 2010, I heard many people talking about the impact of these delays on the people working there. Several people commented to me that they had moved to Aqaba because they had secured jobs as electricians, carpenters, and other skilled labourers on the site of Saraya Aqaba and had moved their families with them from other parts of the country because work on the project was expected to be long-term, enrolling their kids in the local schools and investing monetarily and socially in their communities. Soon, however, they would show up for work and the foremen would tell them that they were not needed that day and to come back tomorrow. Work teams began to be rotated, so that it still appeared that they were working, keeping them tied to the promise that when the economy got better, everyone would be back to working full time. But on this part time basis, men could not afford to feed their families or pay for their homes, forcing many of the workers to make the decision to look elsewhere for work. When I asked the local site manager of Saraya Aqaba about this situation, he simply replied, "Work has



\$300 million will be infused next week. This is enough to finish the project" referring to a deal that had just gone through in Lebanon a day earlier. In 2011, a news update came out, stating that Saraya Aqaba has fired all its employees and would not complete the project in Aqaba. Since I was no longer in Jordan, I decided to contact the Saraya Aqaba main office in Amman directly via email (May 4, 2011) and inquire as to the status of the project. Following is the response I received from Dimah Khalili, a senior manager in the Corporate PR and Investor Relations of Saraya Holdings, Jordan office on May 6, 2011:

The news about Saraya Aqaba firing all of its staff and not completing its project is baseless. This was based on an article which was released by one of the online media without any reference or commentary from our end. We have released in response to that the attached press release.

Until recently, their website was active and contained the usual press releases and images of construction process, at least up until the year 2012. Under that link, it announced that construction was delayed but would be starting up again "soon". Now, however, their website is not functioning, instead just that their site itself is "under construction", which is rather ironic (<a href="www.sarayaaqaba.com">www.sarayaaqaba.com</a>).





4.18 Construction site of Saraya Agaba. Photo by author 2010.

# Marsa Zayed

The most expensive development project announced to date in Jordan is Marsa Zayed, owned by Abu Dhabi's al-Maabar development company. Named for the late Sheikh Zayed Bin Sultan al Nahyan of the United Arab Emerites (UAE), this project is estimated to cost USD \$10 billion and will be implemented in multiple phases over the next 30 years, with the first phase projected to be completed in 2014. Currently, they are hoping to have construction of buildings start in early 2013. Another mixed-use development project, its plans include high-rise residential towers, retail, recreational, entertainment, business and financial districts and several high end hotels, along with several marinas, in addition to a state-of-the-art cruise ship terminal, which they hope will become one of Jordan's touristic landmarks and a welcoming gateway to Aqaba.



In order to accommodate this 3.2² kilometres of development, one of the oldest and poorest communities<sup>73</sup> in Aqaba was displaced adding to the reshaping of the physical space of the city. Additionally, the existing port of Aqaba will need to be relocated, which is a huge undertaking that will be completed over the course of three phases and is estimated to cost USD \$700 million to make the move 18 km down the south shore, quite near to the Saudi Arabian boarder. This move does actually make sense, shifting the port activities away from the city centre and prime tourist area over to where it will be situated near to several industrial factories, including a large phosphate company, and will be able to better accommodate increased cargo and large vessels, including international military ships that regularly make Aqaba a port of call. In June 2012, King Abdullah laid the corner stone of the project, initiating the first phase of the transfer, which has a completion date of 2014.



Figure 4.19 The city of Aqaba and the current port, before the removal of *Shallalah*. http://www.idcworld.com/aqaba-images/panarma-photo-mainport1a.jpg

<sup>&</sup>lt;sup>73</sup> An in depth discussion on the move of the neighbourhood of *Shallalah* can be found in Chapter Five.



The first phase, Al Raha Village, will consists of 260 apartments, 195 townhouses, a retail and community centre, a clubhouse, outdoor parks and playgrounds. It will also include the Sheikh Zayed mosque, which will accommodate 2,000 worshippers. It is worth noting that they have been careful to include a cautionary statement in many of their press releases, "additional phases will be dependent on market demand and supply, and the handover of port land", as a way to give them a way out if the full development is not realized. But, if completed as currently envisioned, the total built-up area will be 6.42 million metres and will consist of 8 hotels including around 3,000 hotel rooms, more than 20,000 residential units, and at least 350 marina berths.



Figure 4.20 An artist's vision of Marsa Zayed. It is interesting that the downtown market area of Aqaba, which is butts up against, is absent, giving no context of how this development will be situated within the city. http://playersbrief.com/archives/439

Most of the news surrounding the Marsa Zayed project, aside from the social consequences of displacing a neighbourhood, has been quite positive. It is worth noting here briefly that there has really been a disconnect between the relocating the people of Shallalah and the development project, likely because the decision and

announcement to remove the area came many years before the announcement of the project itself. I posit that much of their good press is helped by the fact that they maintain an active Facebook<sup>74</sup> page, which is something that the Ayla Oasis development project does as well, yet Saraya Aqaba does not. According to the International Telecommunication Union (ITU), as of 2011, 35% of the Jordanian population were active Internet users, an 8% growth in just one year (http://www.itu.int/ITU-D/ict/statistics/index.html). Additionally, the number of Facebook users in Jordan now exceeds 2 million (Jordan Times 01/28/2012). The images posted on both Marsa Zayed's and Ayla Oasis' Facebook pages are primarily people-based, showing that they are active in the community as a way to promote their level of corporate social responsibility (CSR), which will be more fully explored in Chapter Five. Additionally, they post news articles from around the Internet, YouTube videos, and press releases on their Facebook walls. More and more people turn to Facebook, along with other social media formats like Twitter, as a 'reliable' news source (Mitchell et al. 2012). Though self-promoting, these 'updates' reach a large number of people, which they then 'share'. It also helps to shape the public's perception of these companies because it is no longer just about an incredible dollar figure attached to their project, rather it is now more personalized.

<sup>&</sup>lt;sup>74</sup> As of October 2012, Marsa Zayed –who joined Facebook in May 2010 –had 1443 official "Likes". Ayla Oasis joined Facebook in April 2011 and currently has 658 official "Likes". It is difficult to know, however, just how many people view their pages as many of the followers are other group Facebook pages and bloggers then share the links from the developments' pages, increasing their visibility to all of their followers. For example, the Live in Aqaba Facebook page, which 'likes' Marsa Zayed, has 480 followers and the Aqaba Facebook page has over 21,500 'likes' and is highly active.

## Red Sea Astrarium

While not intended for residential living, this USD \$1.5 billion project – dubbed the Star Trek theme park, although this is only one part of it –is going to add to the overall hotel occupancy for the city and serve as a key tourist attraction. Announced in 2011 the Red Sea Astrarium project<sup>75</sup> intends to include 4 hotels, entertainment, botanical gardens, restaurants, and retail. The main entertainment feature is a Star Trek experience, including rides and theatres, created in collaboration with Paramount Parks & Recreation and CBS Consumer Products. Influenced by Nabatean, Babylonian, British and Roman cultures, the project promises the visitor a "celebration of collaboration and innovation" that will "[transcend] cultures, geography, and even time". Further, it claims it will act "as a catalyst for advancing regional technology and utility infrastructures with clean energy and state-of-the-art water and waste management" (http://rghthemedentertainment.com).

Situated on 75 hectares of land directly to the southeast of the Marsa Zayed development, the project estimates that it will generate employment for more than 500 high-skilled workers in the local community. Some have questioned the wisdom of choosing Aqaba as the destination for a 'Star Trek theme park', as the Middle East is not really thought of as a typical place to find Trekkies. However, one of the key investor in this project is King Abudullah II, who is a well-known Trekkie and he even appeared in a 1996 episode of Star Trek: Voyager. However, over the course of the past couple of years, more and more people are openly criticizing the King and

<sup>&</sup>lt;sup>75</sup> The Read Sea Astrarium project is led by Rubicon Group Holding (RGH), an Amman-based global transmedia company with offices in Los Angeles, Manilia, and Dubai.



the royal family, including their involvement in these types of lavish development agendas<sup>76</sup>.



Figure 4.21 This is the conceptual drawing for the Red Sea Astrarium. You can see it is located beside the Marsa Zayed project, which is located in downtown Aqaba. http://trekmovie.com/2011/05/21/star-trek-attraction-to-be-part-of-2014-red-sea-resort-in-jordan/



Figure 4.22 King Abdullah II in a 1996 episode of Star Trek: Voyager. http://eplaya.burningman.com/viewtopic.php?f=56&t=45648

### 4.3 THE COST OF DEVELOPMENT

There is no gold for the people of Aqaba (Aqabawi Restauranteur 2010)

<sup>&</sup>lt;sup>76</sup> There are questions and unconfirmed rumours concerning the King's involvement via proxy (his British cousins) in the Dead Sea casino scandal earlier this year.



ASEZA has been promoting their success in exceeding their original goal of attracting USD \$6 billion of investment for the Zone but they seem to have lost sight of follow through and retention of those investments schemes. Rather, officials just keep quoting the same numbers regardless of whether a project will actually be realized. For example, when speaking with the former ASEZA Commission for Economic Development and Investment Affairs Salim al-Moghrabi in mid 2010, one of the first things he stressed to me when we sat down together was that "by 2009 ASEZA had secured \$18 billion USD of development, a 300% increase of what they had set out at the inception of the zone". He went on to further emphasize their continuing success, highlighting that "in February 2010, we signed a \$10 billion USD project" –referencing the Marsa Zayed project. He also stressed that while "some projects may have slowed down but they have not stopped" and that "now things are starting to move forward again" (interview with author 2010).

Similar statements are found in most every article, news brief, or blog discussion. With this spin on the situation, ASEZA looks attractive to investors, potential residents, and the media. In mid 2012, the Zone was ranked 20th in the world in this year's *Global Free Zone Rankings* released by the well-respected publication *Financial Times's Foreign Direct Investment* (fDi) Magazine. ASEZA Deputy Chief Commissioner Issam Khreisat commented the rank reflects the ability of ASEZA to entice more investment revenue as this report is closely monitored by economists and investment agencies. However, to see these mega-projects developments on the ground leaves the viewer more likely to be depressed or angry rather than in awe. Perhaps one reason so many Agabawis do not pay much



attention to the hoopla surrounding these future "employment opportunities" is because they do not have the belief that they will amount to much more than just partially (and often poorly<sup>77</sup>) built structures that will litter their daily landscape and really not impact their lives in a meaningful way.

Much of what appears in the media and on the Internet seems like simply copying and pasting from ASEZA's website, which is rarely updated to reflect now defunct development plans, or earlier glossy conceptual drawings for projects that never got past the drawing table. As mentioned earlier in this chapter, the image of that first mega-project initiated by Horizon Development Holdings continues to litter the Internet. If one inquiries the term 'Agaba' and then searches images, it is the seventh image to appear, yet it has not been even a remote possibility in more than five years. The Agaba Gateway Imax Theatre that have been closed for several years is still being promoted by travel agents on the web and even by Aqaba hotels, not even a half mile away from it. A 2011 USD \$1 million funding proposal from UNDP entitled "Jordan: Mainstreaming Marine Biodiversity Conservation into Coastal Management in the Agaba Special Economic Zone" listed several projects as "underway or completed", including Yeminya Heights, La Alcazaba, and Palm Hills (www.thegef.org). While a few of the ones mentioned, like Tala Bay or the Intercontinental are completed, most have never even got past the initial stages of flashy drawings and sexy investment dollar amounts being tossed around. Not only does it seem as if ASEZA is failing to keep tabs on their investors' progress (Al

<sup>&</sup>lt;sup>77</sup> A recent flash flood in Aqaba (October 21, 2012) clearly showed some key flaws in planning and execution of these projects. Initial infrastructure, roads –like a new tunnel connecting the northern area with the southern coast, and drainage routes suffered extensive damage and revealed troubling weaknesses.



Rawashdeh and Smad 2010), it doesn't seem as if other agencies are keeping tabs on ASEZA's management of their investments. Instead, they just keep regurgitating the outdated information that is listed on ASEZA website without any sort of on-the-ground fact checking.

### The Dubai Model

Aside from the problematic management of many of these proposed developments, one must ask how sustainable, or even responsible, this approach to economic development really is. The development approach within the Zone is most reminiscent of the Dubai Model, the 'build it and they will come' system (Rehman and Dairabayeva 2007; Hyidt 2009). This model is comprised of nine key features including government-led development (ruler led); fast decision making and 'fast track' development; flexible labour force; bypass of industrialization and creation of a service economy; internationalization of service provision, creation of investment opportunities; supply generated demand; market positioning via branding; and development in cooperation with international partners (Rehman and Dairabayeva 2007; Hvidt 2009; Chorin 2010). During the height of the economic boom, Dubai was the example of economic development that other cities around the world wanted to emulate and replicate. However, many critics suggest that as a development model, Dubai has proven to be unsustainable and has come to represent all that is wrong with capitalism and neoliberal urbanism (Elsheshtawy 2010). The Agaba Special Economic Zone has emulated several of these features and will be discussed below.



Government-Led Development and Fast Decision Making

It was the central government and King Abdullah II that envisioned this style of mixed development within the southern region of Jordan. Although described as a public-private enterprise, both of the key agencies –ASEZA, which serves the role of regulator; and the ADC, whose role is that of investor and land management and is promoted as a private enterprise–are, in fact, governmental entities.

While it may seem counter to the expected 'red-tape' bureaucracy of government, decisions about development initiatives are quickly made, appearing to the public that ASEZA has not given much thought to the proposed plans before approvals are made and permits are issued. This is clearly illustrated in the approach that is promoted as an initiative to invest in the Zone, that ASEZA is a "one stop shop in order to make development easier and faster. People should receive answers within a few days or even automatic approval for certain types of development" (interview with former ASEZA Commission for Economic Development and Investment Affairs, Salim al-Moghrabi 2010). As Hvidt (2009: 403) points out, "quick implementation means that an activity can begin while excitement is fresh and has not been dulled by a long development stage". A further example of this governmental control over the form of development in the Zone is "the ASEZA Board of Commissioners can change regulations as they see fit to enhance economic development" (interview with former ASEZA Commission for Economic Development and Investment Affairs, Salim al-Moghrabi 2010). This seemingly carte blanche power that ASEZA appears to wield is concerning since there is little in the way of checks and balances. Although the Commissioner of the



Environment has veto power and can stop an economic yet environmentally unfriendly project, the ASEZA commissioners are shuffled around so quickly and often do not have the background expertise to make such decisions.

While originally hoping to attract investments of USD \$6 billion by 2020, by their eighth year they had already surpassed this and had USD \$8 billion, half of which was tourism related. In just another two years, this investment figure increased by USD \$10 million, and currently ASEZA can boast having reached USD \$20 billion of 'committed' development, most of which focused within the tourism sector. Of course, one draw back of this form is that while the revenue generated by the tourism industry benefits the city, "it will take time for them [Aqabawis] to see the benefits. The development is happening more quickly that people can change" (interview with former ASEZA Director of Tourism and Marketing, Mona Hawa 2010).

## Flexible Labour Force

The central government, ASEZA, and each of the development projects have made grand claims about how many employment opportunities the Zone would bring to the local workforce, the initial projection being 70,000 by the year 2020. Law 32, under which the Zone was created, states that a primary function of the Zone is "to increase job opportunities for Jordanians, and coordinate and cooperate with investing entities in the zone to train, qualify and enhance the capacity of Jordanian manpower and fulfill the priorities in employment" (ACED 2008). The unemployment rate of Jordan in 2011 stood at 12.3%, although many feel this figure is underreported and that the real figure is closer to 30% and, further, nearly 1/3 of



the population is estimated to be living below the poverty line (cia.gov; ACED 2008). Some of the projects' projections range from the Aqaba Gateway's goal of 200 employment opportunities to the Coral Bay Hotel with 80 employees to Ayla Oasis' fantastic projection of somewhere between 4000-5000 job possibilities. But what type of jobs are these and who is going to fill them?

The labour laws of Jordan dictate that 70% of a company's workforce must be Jordanian citizens. If no Jordanian can fill the position, it should be allotted to an Arab national, and then, if no one of Arab descent can fill it, it can be awarded to a non-Arab foreigner (Government of Jordan 2012). However, one of the incentives ASEZA offers to its investors is a specific labour package where only 30% of a development project's employees need to be Jordanian, which is the reverse of what companies outside the Zone must adhere. This means that companies could easily bring in management from their home country but, further, they could encourage and rely upon foreign workers from neighbouring countries like Egypt, or from Southeast Asia, who are more likely to be looking for temporary work, rather than a career where they can advance. Additionally, from the perspective of the employers, this is a workforce that is easily replaceable and a seemingly endless supply of willing workers. Additionally, companies may petition to ASEZA to have this quota reduced to only 15% Jordanian workers, if needed. For example, "during the construction boom it was difficult to find enough Jordanian workers" so most people finding employment during this phase were actually Egyptian not Jordanian (interview with Director General of Development for Jordan and former ASEZA Deputy Chief Commissioner Bilal al-Bashir 2010). Although no numbers are



available strictly for Aqaba, in 2011 there were around 300,000 documented foreign workers in Jordan, 68% of which were from Egypt (Sharp 2012). Nine percent of these foreign workers are working within the construction sector, 21.5% in heavy industries, and 13% in commerce and tourism industry (Government of Jordan 2012). However, unofficially, the number of foreign workers in Jordan is estimated to vary anywhere between 500,000 to 1.5 million.

Foreign workers are especially attractive for work in the qualified industrial zones (QIZs) and within the construction industry within ASEZA, as they accept less in pay (on average, foreigner workers earn between 15-199 JD per month where as the average Jordanian monthly salary ranges between 25-300 JD per month), will endure harsher working conditions, and will typically perform work that most Jordanians simply will not. While Jordan's population is well educated, nearly 91% of the foreign worker population is uneducated (al Bawaba 2011). As with Dubai, foreign workers are attracted to Jordan because they can make relatively good money (as compared to what they would make at home) in order to send remittances home along with being able to live in comparatively good conditions<sup>78</sup> (Hvidt 2009). For example, on several of the construction sites in Aqaba, workers are provided housing. The Intercontinental Hotel housed many of their workers during the construction phase at the closed Radisson SAS, a former 4-star hotel, which used to be located beside the Intercontinental Hotel. Staff at the Tala Bay

<sup>&</sup>lt;sup>78</sup> It needs to be noted that men have enjoy better living conditions that foreign female workers. There are a multitude of issues and complaints with how foreign female domestic servants are treated very badly throughout Jordan. Additionally, there have been numerous complaints by foreign women who work in the QIZs, in terms of sexual harassment and abuse.

hotels have their own housing complex across the road from the community, and the local general manager of Saraya Aqaba proudly pointed out to me "this project will create 3000 jobs. The workers' residences will be like a 5 star hotel" (interview with author 2010).

While the incentives to hire cheaper foreign labour are clear, there are also firmly held ideas about how problematic it is to hire local Jordanian labour. In interviews and conversations with Aqabawi and Jordanian business owners in 2009 and 2010, a commonly recurring theme was this notion that Jordanians have a preference for titles rather than jobs and just want 'money in their pockets'. In an with an Aqabawi restaurant owner (2009), she expanded on this idea, "if I hire three Egyptians, they say I need to hire two Jordanians, but this is a waste of my time and money because if they have a dinar in their pocket to buy cigarettes, they [Jordanians] probably won't return to work. They don't think about tomorrow". An Aqaba dentist summed it up nicely, "people here only want jobs with titles and desks" (interview with author 2010).

This idea can be seen echoed in other employment sectors in other parts of the country. A Jordanian businessman located in Zarqa (close to Amman), who owns a car wash, commented to reporters that he would rather hire a Syrian refugee than a Jordanian. His experience with former Jordanian employees was that they had a "habit of quitting without notice" (Mashagbeh to Hazaimeh 2013). The former Jordanian Labour Minister Bassem Salem recognized this stereotype as a detriment to the employment rates, blaming employers for their preference for foreign workers over Jordanians because of the belief that Jordanian workers are less



productive (Hussein 2008). The international NGO, Save the Children, suggest that the reason for this persistent stereotype is because young Jordanians are lacking in 'soft skills', including the abilities to be flexible, to arrive on time, to be trainable, to work in teams, and to present themselves professionally<sup>79</sup>. Launched in 2005, Save the Children offers a workshop, *Najah* ('success' in Arabic) addressing these soft skills encouraging young Jordanians to communicate in a more positive and productive manner and giving them a skill set to work through misunderstandings with employers, fellow employees, and the public they often had to deal with, with the hope that instead of just quitting in the face of work conflict, they would attempt to work out their differences and problem solve rather than just walking away (Hazaimeh 2009).

Another Aqabawi business owner, a long-time resident who has owned a small 2-star hotel in the city centre spoke to me about the 'culture of shame', <sup>80</sup> an attitude that persists throughout Jordan and deters people from working in the hospitality industry, as well as other low-paying and difficult employment sectors. He exclaimed to me, "If you could move the people out of Aqaba and replace them with 150,000 Lebanese... Aqaba could be the best tourist destination in the Middle East." In fact, the majority of Arabs working in hotels, restaurants, and nightclubs are either Egyptian or Lebanese (Shryock 2004). One possible reason for this is suggested that Jordanians take their hospitality too seriously.

 $^{79}$  A World Bank sponsored report also highlighter the importance soft skills acquisition in the 2012 report titled "Soft Skills or Hard Cash? The impact of training and wage subsidy programs on female youth employment in Jordan"

<sup>80</sup> The 'culture of shame' will be addressed in detail in Chapter Five.



As shared with me by various cultural consultants throughout my research tenure in Jordan (2005-2010), when a customer complains about food in a restaurant or the condition of their room at a hotel, Jordanian employees tend to take these criticisms as personal attacks on the hospitality they are offering rather than passing the responsibility to the chefs or cleaning staff. *Karam*, or generosity, plays a direct role in a Jordanian man's honour and saving face when it appears to be challenged is viewed as a cultural necessity. Kelly's study of Jordanian tourism (1998: 914) came across similar anecdotes, suggesting that Jordanian workers are acting as host, not employee, "extending hospitality to his personal guest rather than as an employee providing service to a paying customer".

During a focus group of 21 people<sup>81</sup> at a language centre in an Aqaba neighbourhood, a cross-section of the local population was represented, from at-risk women to college students to professionals, all there to improve upon their English skills primarily to make them more competitive for employment. The group recognized the social implications of engaging in the hospitality sector, "the culture of shame impacts whether Jordanians can work there or not"<sup>82</sup> and they understood why businesses may prefer to hire foreigners for these position, "For Jordanians,

<sup>&</sup>lt;sup>81</sup> In May 2010, a focus group was held at an English Language School located in Makhdood, an area adjacent to the Ayla Oasis project. This 'school' is operated by an American NGO and also acts as a career centre, job training, community centre, and gym for neighbourhood women. 90% of the people taking part in this focus group had lived in Aqaba for more than 10 years and 38% were born there. Including both men and women, ranging in age from 17 to mid-50s, the occupation breakdown is as follows: 2 worked in management capacity at a thermal power plant, 1 worked at a phosphate plant, 4 worked at the Port, 3 worked at the Aqaba Water Company, 5 were students (law school, high school, teacher's college, computer engineer, Red Sea Cinematic Institute), 1 pharmacist, and 5 unemployed.

<sup>82</sup> Unless otherwise attributed, the quotations presented here are a mix from the individuals who were part of this focus group.

you would have to pay them more than people from Egypt or Bangladesh. And they are willing to work harder and longer than Jordanians". When asked if any of them would work at one of the new hotels or not, the overwhelming response was, "no, hayk!" –an Arabic colloquialism meaning "no, just because!" –even amongst those who were currently unemployed.

This is the main reason they would like to see different types of investment in the Zone. "It is not a bad thing for outsiders to invest in our country, it is a good thing, but we need projects that we can work on." Further, "for the development of the city, ASEZA is good but not for us. It is only for the rich people. We need jobs, like in factories". Several of the people in attendance commented that the type of development in the city they were most excited about was the increased access to education, "in the past, we had to go to Amman if we wanted to pursue a higher education". However, they want to see a more diverse subject offering, going beyond the hospitality-related programs.

While the purpose of the Zone is to increase employment opportunities for Aqabawis, as well as other Jordanians, there is a general feeling that few Aqabawis actually get hired for anything. The jobs they do secure tend to be low-paying, with little job security, require little previous knowledge or specialized education, with only a slight chance of advancement. The 'better' jobs (higher paying, room for advancement, permanent, etc.) are seen to go to Jordanians from Amman, in large part through the *wasta* system –favouritism; "people in positions of higher power...will hire based on personal relations" (interview with author 2010). This finding is similar to that of a study done by USAID/ASEZA Aqaba Community and



Economic Development (ACED –pronounced A-SAID) Program in 2007. Their *Gender Assessment Report* (2007:16) concluded "young men who fail to complete their education are tracked to vocational training and have readiness challenges". One possible solution to this perceived inequality of hiring practices was offered by a Jordanian NGO director, "A certain percentage of jobs should be dedicated to qualified local population in order to give the locals real opportunities" (interview with Jordan River Foundation (JRF) Project Development Manager in Aqaba and South Area, Hassan al-Tawara 2010). Of course, with a mere 30% of jobs being allocated by the government for Jordanians in the Zone, it would be interesting to see how many they would actually allot to the local population.

*Industrialization Vs. Service Industries* 

As Hvidt (2009) points out, part of the Dubai model is that Dubai has no intention of developing through industrialization but rather transforming into a service society. Although ASEZ does have some industrialization development (13%) in the Zone, it is a relatively low percentage as compared to the goal the ASEZA Strategic Plan lays out for tourism development (67%). ASEZA has developed the Southern Industrial Zone, past Tala Bay and close to the Saudi Arabian border. A few of the industrial projects include the US \$5 million resurrection of the Red Sea Timber Company after being dormant for 15 years and the National Assemblage Trading Co. –a storage facility for imported liquid products shipped by sea for local use in chemical factories and for re-exporting. Additionally, phosphate, the Jordan Phosphate Mines Company, which is the second largest exported of phosphate in the world (http://www.jordanphosphate.com) is building an USD \$110 million export



port as part of the Southern Industrial Zone, and the Kemira Arab Potash Company Ltd. (KEMAPCO) invested USD\$100 million in the Zone with a new Potassium Nitrate and Dicalcium Phosphate plant. But little fanfare surrounds these development projects and it is challenging to learn what projects ASEZA has lined up, even via their website. However, based on more than a year of conversations and interviews, it could be that for Aqabawis, these industrial projects are more desirable than the service industry based on tourism<sup>83</sup>.

Supply-Generated Demand

Following Dubai's lead, ASEZA has definitely adopted the build-it-and-they-will-come attitude. Hvidt (2009) argues that this strategy may be riskier than the more traditional approach of waiting for a demand of goods or service to arise to develop organically. But if successful, creating demand can in the end be far more profitable. Many of Dubai's mega projects, like Palm Islands, the World Islands, Dubai Land (a USD \$45 billion amusement park), and Maktoum International Airport. Each was planned with significant overcapacity and typically against the advice of most experts and naysayers. As with the above-mentioned developments, the projects in Aqaba are being built in phases and the early forecasts of projects like Saraya Aqaba and Tala Bay did show that people were willing to spend the money to live the lifestyle they were selling before a tangible product was actually available. But the people who were willing (and able) to spend the money to live

<sup>&</sup>lt;sup>83</sup> While Aqabawis may view industry as a better investment within their city, they don't necessarily envision it. In Chapter Five I discuss the findings of the cognitive maps drawn by 52 Aqabawis, none of which show any of the industry-based development occurring in the city.



within these planned gated communities are not the local Aqabawis but rather wealthy Ammanis and to a greater extent, ex-patriot Arab nationals living in Europe and the Americas, as well as Arabs from the Gulf states. As Singerman and Amar (2006: 14) point out, these "spaces are designed to serve the needs of spectacular consumerism by subjects or rentier petroleum states rather than transform local urbanites into a productive bourgeoisie". With the global economic downturn, it will be interesting to see how many phases of these mega-development projects are actually realized. Nearly 80 Cairo-based gated communities have been planned, initially targeting the upper socio-economic class but as sales slowed and construction began to halt due to economic difficulties, developers shifted their target to include the middle class buyers by lowering housing prices (Harre-Rogers 2006). To date in Aqaba, however, apartment prices have not been lowered and no efforts have been made to make these communities more accessible to the local middle class.

## 4.4 DESTINATION BRANDING

Driving through Aqaba, it is easy to see that ASEZA has been working hard to rebrand the Zone. Signs line the main roads announcing 'Branding' and are often paired with other signs with the words 'Loyalty' or 'Impact'. The brand objective for ASEZA positions Aqaba as a hub for visiting Aqaba (the Red Sea), Petra and Wadi Rum, and emphasizes the distinct culture of the Red Sea area. The English catch phrase for the brand is "the oasis and beyond", which promotes the 2002 USAID-supported vision for Aqaba –'Aqaba will flourish as a distinctive oasis city'. The Arabic version of the promotional phrase, which was supposed to capture the



imagination of domestic tourists, is rarely used. It is suggested that a reason for this is that the destination brand has been overshadowed by other advertising campaigns, like ASEZA's "Turn sand to gold" (USAID 2009). It is also worth noting that the signs throughout the city calling attention to brand impact and loyalty are only in English, targeting a very specific group of residents and visitors.

Additionally, the signs say nothing else so most people who can read them are at a loss as to their actual purpose. One Aqabawi suggested that the signs were place holders for other advertisements, since there are similar signs promoting a few of the hotels or events taking place in the city (interview with author 2010).



Figure 4.23 Branding and Impact line the streets of Aqaba. Photo by author 2010.



Figure 4.24 Signs promoting branding and loyalty. Photo by author 2010

Perhaps the most noticeable branding venue is the Aqaba taxi cab. Through the country, taxis are yellow and *services*, a car that's purpose is a cross between a taxi and a bus with a set route, are white<sup>84</sup>. In fact, this is the law. However, since ASEZA has so much governmental autonomy and authority, in early 2008, ASEZA decided to break from the yellow taxi cabs and, with no cost to the owners, painted all the fleets –470 cars –in the city brilliant green, which is part of ASEZA's colour scheme and the Aqaba brand (ASEZA 2008). Further, they added a decal across the length of each side of the car that is the logo for the slogan "the oasis and beyond". There reason behind doing this was "to distinguish Aqaba, and branding tourism by leaving a lasting impression on tourists" (ASEZA 2008). The logo is incorporates images from Aqaba, Petra, and Wadi Rum. When developing it, ASEZA first approached local people for input and then conducted focus groups with foreign

<sup>&</sup>lt;sup>84</sup> Services are permitted to travel both within and city and inter-city whereas taxis are relegated to remain in their specified operating zones. They can take a passenger to a location outside their zone but they are not allowed to then pick up another fare until back into their own area.



tourists (interview with former ASEZA Director of Tourism and Marketing, Mona Hawa 2010). When speaking about the logo with the 2010 focus group, one person suggested, "I think it reminds the older people of how life used to be here" while another reflected, "I like the logo but I think it is more for the tourists than for us". Tourist economies demand that cities-as-destination become a brand unto themselves. <sup>85</sup> This means, however, that the needs and desires of tourists must be met while the problems and challenges faced by the local community are officially silenced but very obvious to the local residents (Elshehtawy 2006).



Figure 4.25 The green Aqaba taxi. Photo by author 2010

 $<sup>^{85}</sup>$  This branding tactic can be seen in other touristic cities like Cairo, Istanbul, Paris, Rome, and London to name but a few.





Figure 4.26 ASEZA Logo. The 'Golden Triangle' of Aqaba, Wadi Rum, and Petra have become unhinged from Jordan in this advertising campaign. This logo can be found on the taxis and the new buses.

### 4.5 Summary

"Agaba represents the lifeline for this country in terms of access to maritime trade. It has the economic potential to be an industrial hub, business center and tourism destination" (interview with Director General of Development and former ASEZA Deputy Chief Commissioner Bilal al-Bashir 2010). The economic development agenda underway in the Zone is aggressive, elaborate, and often times, overinflated, leaving many people are wondering just how sustainable this development path is. With the global economic situation taking a downturn, some of the development projects are continuing to experience challenges with maintaining their capital and making progress with construction. Other projects never made it past the boardroom while a few others have begun to flourish and make a positive economic impact within the city. Those projects, though, tend not to be the ones aimed at tourists but rather at the local residents of Agaba, such as neighbourhood malls, cafés, and education<sup>86</sup>. The benefits extended to investors by ASEZA are generous, including multiple tax exemptions, full foreign ownership, flexible labour regulations, and one-stop-shopping with ASEZA and Agaba Development

<sup>&</sup>lt;sup>86</sup> Education will be further explored within Chapter Five.



Corporation (ADC) taking care of red tape ranging from immigration visas to building permits. But some people question these incentives and claim that they are given at the expense of Aqabawis and question for who this development is really for if not for them.

The development taking place is not only impacting the economic landscape of the city, but the physical landscape as well; reshaping Aqaba and creating a significant amount of new coastline through lagoons and extensive canals. The current port is being moved towards the southern border of Jordan with Saudi Arabia, which will open up new coastal space which will be transformed into a highend yacht and cruise ship port. This shifting landscape impacts how the local people interact with the development initiatives. The social aspect to the projects, including the culture of shame along with further discussion of economic impacts upon the social landscapes, will be addressed in the following chapter.



## CHAPTER FIVE

### SHIFTING SOCIAL LANDSCAPES

### 5.1 ASEZA'S SOCIAL DEVELOPMENT AGENDA

ASEZA has strived to further develop a variety of social aspects of the everyday lives of Agaba residents, including increasing access to education, improved health facilities, along with the creation of a cultural centre/library, and offering special needs assistance for physically differently-abled citizens. To achieve these goals they have developed a partnership with the local community, which is listed as "vital" in the ASEZA Master Plan 2007-2010. Specifically, they aimed to "unite all developmental efforts of all local and domestic partners in Agaba and the surrounding areas related in a clear, effective and institutional context" (www.agabazone.com) through six key approaches. First, they intended to organize and unite development efforts in social, cultural, educational, sports and youth work, along with offering support to Aqabawis with special needs. Next ASEZA wanted to organize the work of local community organizations and establishments and provide support for them to achieve their goals in providing services for all age groups. Third, they felt it necessary to enhance the cultural knowledge of the local community. Fourth, they wanted to introduce the successful work of small and medium-sized enterprises in the Zone, and encourage the local community to do the replicate these by establishing a partnership between the directorates and relevant



financial institutions. Next, they studied the needs of the educational sector to determine whether infrastructure or technical aspects were needed for the development of the educational process. Finally, they wanted to orient and encourage the local population to work (www.aqabazone.com).

### Education

There is a perception held that Agabawis are not well-educated and, even unworthy of the better jobs available. Surprisingly, this was an idea reiterated, perhaps even perpetuated, to me by other Agabawis! For example a local dentist, who proudly told me, "my father's father's father is from Agaba. I love the city and it has great potential" quickly went on to say, "people here are not educated. We learn from our parents and they are not educated. We need to teach parents to think differently" (interview with author 2010). This message concerned and confused me, so when the opportunity presented itself, I came right out and asked an Agabawi ACED Advisor about this attitude and was given the following explanation. "This is something that the local people have heard for years from those outside Agaba. Now, Agabawis assume this is the perception of all outsiders. Perhaps they are perceiving this perception but for many it has become an automatic response" (Interview with Agaba Community and Economic Development (ACED) Advisor and Component Leader, Dala al-Alami, an Agabawi who was born and raised in Agaba, 2010).

One way to make the city of Aqaba more economically viable and sustainable is to increase access to education within the Zone. As mentioned previously, it has been historically difficult for many Aqabawis to attain a higher education as the



level of K-12 education was below national standards due to a lack of trained educators willing to locate to the southern city on a long-term basis. The reputation of poor education in Aqaba also deters potential employees from relocating to Aqaba with their families. For those students who did gain admission to a university it was often both a financial and social<sup>87</sup> challenge to attend, as the majority of Jordan's universities are located in the north. As such, ASEZA has put an emphasis on making the Zone an attractive education destination at both the K-12 and university levels.

One way to address the needs of improving the state of the local schools was for ASEZA to pair with some of the local developers and have them 'adopt' various schools within the Zone. By adopting a school, a company provides financial and technical support for education and tried to promote a strong educational environment by upgrading educational facilities, providing tutoring for weaker students, running workshops for teachers, offering scholastic competitions and scholarships once they graduate from high school, even providing clothing for atrisk students. According to the ASEZA website, to date 20 out of 60 schools in Aqaba has been adopted by 16 companies, including Movenpick Hotels, Saraya Aqaba, Ayla Oasis, and Marsa Zayed (www.aqabazone.com).

A few years ago, it was announced that the American University system would be building an undergraduate campus in Aqaba, along with a graduate campus in Amman. Combined, the two campuses were said to bring with them US

<sup>&</sup>lt;sup>87</sup> It is common for young adults to remain living with their parents until they marry. It is especially uncommon for unmarried women to be able to move elsewhere for education unless they had family members that they could live with in the new location.



\$99 million of investment and generate 1000 jobs for Jordan, in addition to infusing 2500 students directly into the local Aqaba economy. ASEZA declared "the university is expected to play a significant part in the city of Aqaba" and that it would contribute to "the economic and social character of the city and [provide] unique opportunities for visitors and residents" (www.aqabazone.com 2008). Alas, both proposed campuses fell through, as did the British University campus that had also been planned in Aqaba. However, there have been numerous success stories under the Education Development category within ASEZ.

Aqaba University College (AUC), part of the Al-Balqa Applied University system was opened to students for the second half of the 2000-2001 academic year, in response to King Abdullah's request that the southern region of Jordan had access to a financially accessible institution of higher learning and to increase the amount of qualified potential employees. When first opened there was only one major available, Hotel Management, but this has since expanded to four departments (Basic Science, Finance and Administration, Science and Tourist Hotel, and Applied Science), which offer Bachelor degrees and Two-Year Associate degrees. Currently, AUC is housed on a small campus located outside the city centre close to residential areas consisting of 14 classrooms, multiple labs for nursing, languages, food preparation, an electronic library, and IT. There are approximately 34 faculty and administrative staff (Interview with Ahmed Shamat, Professor of Tourism at AUC and author 2010).

Although small, this campus is lively with engaged students who want to take advantage of having an institution of higher learning available to them. Over the



course of several focus groups conducted at AUC in 2010, I learned that the school had earned a strong reputation and now draws students not only from Aqaba but also students from the northern region of Jordan, including Karak, Amman, and Salt. Most of the participants were majoring in tourism as they saw it to be a way to secure employment when they graduated but others stated a variety of reasons, such as wanting to learn about other cultures or to use tourism as a means of making their city cleaner and more useable. One female student commented, "I want to work in tourism to promote our culture and the city of Aqaba. I love this city and I want to share it". Overall, most students believed that tourism would help to protect the natural resources and environment of the city.

University of Jordan, one of the region's most prestigious universities, opened up a campus in Aqaba in time for the 2009-2010 academic year. ASEZA allocated approximately 62 acres of land, several kilometers north of the city centre, for the campus. According to Khalid Karaki, the president of the University of Jordan at the time the plans were announced, this campus was selected in response to market needs and in order to serve the port city with qualified graduates. "Our goal is to have a distinguished university in terms of faculties to serve students in Jordan and neighboring countries including Saudi Arabia and Palestine". He went further to say that this campus intends to offer specializations not available at existing institutions of higher education. While tuition costs are planned to be the same as at the Amman campus, Karaki claimed that admission priority and scholarships should be given to area residents who contribute to the development of Aqaba and neighboring governorates. A second phase is planned for the University of Jordan-



Aqaba, which involves establishing a Faculty of Medicine and would include a university hospital, in addition to a mosque, conference hall and sport facilities, all of which will require an additional 100 acres of land.

According to the University of Jordan's 2011-2012 Facts and Figures (http://www.ju.edu.jo/Pages/FactsAndFigures.aspx), there are currently 1149 students attending the Agaba branch, with women (604) slightly outnumbering men (545). At present, the Agaba campus is comprised of five faculties and twelve majors, including Management and Finance (female = 197, male = 170), Tourism and Hospitality (female = 66, male = 166), Languages (female = 185, male = 38), Information Technology (female = 104, male = 94), and Marine Sciences (female = 52, male = 77). These numbers reflect the emphasis on a tourism-centric economy, as the three most popular faculties are Management and Finance, Tourism and Hospitality, and Languages. These numbers also reflect the larger social gender norms; more men are majoring directly in Tourism and Hospitality as it is thought to be more appropriate for men to deal directly with tourists, or in a front stage capacity, whereas the women are preparing for back stage careers, such as in the business offices for hotels and other tourism-related organizations<sup>88</sup>. These numbers also echo the student make up of the tourism program at AUC. Ahmed Shamat, a professor of Tourism at AUC, commented to me that women only make about 5% of the tourism students.

The Red Sea Institute of Cinematic Arts (RSICA) is an international, fully accredited graduate school offering a Master of Fine Arts (MFA) Degree in Cinematic

 $<sup>^{88}</sup>$  These assumptions are based off of numerous interviews and focus groups with UJ-Aqaba and AUC tourism students that the author conducted in 2010.



Arts, the only one of its kind within the MENA region. The MFA program is geared towards career development and business skills with an advanced education in cinema, television and a wide range of newly evolving screen-based media. When the institute first opened, there were plans to build their own campus in the city but due to the global financial downturn, the RSICA has remained in temporary housing in downtown Agaba, a former small hotel-turned-office space. The organization is in the process of establishing a new branch in Amman in 2012 so the scale of operations in Agaba has been reduced "to enable resources to be allocated to the Amman campus". While the RSICA Agaba temporary campus will be maintained to continue training and education, and as a production base for use in RSICA and other productions into the future, the Institute announced that it would delay the intake of its next class for several months due to "logistic reasons attached to the establishment of the new branch in Amman and the movement of the resources necessary in delivering the program to the highest quality standards" (http://www.rsica.edu.jo/home/index.html#agaba\_).

While RSICA never ended up altering the physical landscape of Aqaba, as their proposed stand alone campus was never realized, it did have a positive impact within the region and in terms of preparing primarily Jordanian students for employment success. In RSICA's first graduating class of 2010, graduates went on to the Sundance Director's Workshop, the Iowa International Writers Program, the Producers Guild of America International Internship Program in Los Angeles, as well as to full-time faculty positions in Dubai and Jordan. However, with RSICA moving to



Amman, ASEZA and the RSICA lost the opportunity to increase the global visibility of Aqaba as more than just a tourism destination.

Another specialty educational facility recently established (2007) in ASEZ is the Ayla Aviation Academy (AAA). Estimated to cost US \$42 million, the academy is based on 7000 square meters. Part of the rationale for choosing Aqaba, according to the chief executive officer Marwan Atalla, was that "its small commercial airport was underused, there was plenty of available student accommodation in town, and year-round clear skies made it ideal for visual flight training" (Morrison 2009). AAA so far has graduated about 100 pilots. Each completes 220h of flying and 860h of ground school. The vast majority are either cadets sponsored by Royal Jordanian and other Middle Eastern airlines or funded by their governments, including those of Bahrain and Kuwait.

### <u>Health</u>

ASEZA is working to improve the current health care facilities available within the Zone, which will not only provide better access and care to current Aqabawis but will also help to attract a more qualified potential workforce from other parts of Jordan to Aqaba. While the location of Aqaba is desirable, the healthcare in the region is viewed by other Jordanians –and Aqabawis, too – as less than adequate<sup>89</sup>. As with the level of education, access to excellent healthcare is a major determinant of whether people are willing to relocate to Aqaba.

<sup>&</sup>lt;sup>89</sup> The lack good healthcare, along with education, was often cited in interviews as a major block for people to remain in the Aqaba area for long. They didn't want their children receiving what they consider to be a subpar education or be in city where they could not ensure the well-being of their family if something health-related happened to them. Stories of inept doctors and treatment were rather common.



There are plans in place for two new hospital campuses to be developed: the Princess Haya Military Hospital and the New Islamic Hospital. Both of these hospitals have served the southern region of Jordan for decades but their resources and infrastructure are run down and overcrowded. The original Princess Haya Military Hospital was established in 1977 and is the only public<sup>90</sup> hospital in the governate of Agaba. It is centrally located in the city at one of the main traffic circles. In addition to being a district general hospital with a capacity of 120 beds, it houses a hyperbaric chamber that treats diving accidents, and also is equipped with a helicopter pad. The new Princess Haya Military Hospital project is planned to have a campus area of 37 acres, located about five kilometers from the city centre, and is estimated to cost USD \$70 million. The campus will consist of three main elements. The main building will house administrative services, inpatient nursing services, diagnostic and treatment services, supporting services, and retail space. There will also be an emergency and trauma department, along with a hyperbaric oxygen therapy centre. The construction of this new campus is currently underway.

The Islamic Hospital in Aqaba, which is private<sup>91</sup>, was established in 1993. It is located in a residential area and although it only has a 39-bed capacity, it provides a wide range of services, along with surgical theatres, full service laboratories, a maternity ward with capabilities of treating premature births. In addition, they offer

<sup>&</sup>lt;sup>91</sup> Private hospitals are generally viewed as providing a higher level of care. Anyone can use them, in this case regardless of religious affiliation, but they are more expensive and payment often needs to be arranged up front.



<sup>&</sup>lt;sup>90</sup> The public hospital is not only less expensive for the general population but it also serves the military and their families at little to no cost making it a very busy hospital.

monthly subspecialty clinics with doctors coming in from other areas of Jordan. The New Islamic Hospital project, which will is reported to have a capacity of 120 beds, is located in the main part of the city, almost directly behind the existing Princess Haya Military Hospital, and is estimated to cost USD \$ 28 million. Construction on this facility got under way several years ago and although the building was nearly complete, work on is has stagnated.

# **Green Spaces**

As mentioned in Chapter Four, the Ayla Park Plaza project replaced one of the city's only children's play parks, which had been there for at least 25 years. Several people I spent time with during my time in Aqaba commented on how they used to play at this park when they were little and that they had, in turn, brought their own children there to play. When I was working in Aqaba on an archaeological dig (summers of 1997, 1998, 2000, and 2002), I walked past this park at least twice a day. While looking more and more run down, it was a place that I often saw children using. It made me wonder how Aqabawis viewed this transformation of a free play place for families into a commercial space made up of international fast food restaurants, which are attractive to children but expensive for the average Jordanian to eat at as a family. My initial thoughts were that that people would resent having their park paved over to make way for international fast food chains and having to pay for a play space for their kids, however, I soon learned that this was not the case at all.

Many people commented on how the play structures were becoming almost unusable because of a lack of upkeep and vandalism. They also told stories of



increased crime<sup>92</sup> in the park, specifically of drug use and as a meeting place for 'homosexual behaviour'<sup>93</sup>. Many residents, especially those who lived across the street from the park, saw it as a relief and felt safer once it had been removed. One nearby resident told me, "this children's park was full of crime: drugs, prostitution, muggings, and murder. Now it is a space that is clean and safe" (interview with author 2010). Although the plaza has resulted in increased car traffic, most residents expressed gratitude that the space was now a place of economic success. Because of this plaza, new commercial buildings, housing doctors' and dentists' offices, along with pharmacies and real estate companies, have begun to be built across from it. Additionally, ASEZA has built two new green spaces, *Al Hammamat al Tuonesyeh* St. Park and the *Darab* Project (which will be discussed below) although no specific children's play areas have yet to be constructed for family and neighbourhood use nearby.

Where do they now take their kids to play? Several Aqabawi women commented to me that they preferred to take their kids to the international fast food play areas because for the cost of an ice cream cone –the equivalent of about 10¢, they could play as long as they liked in a clean, safe, 'playground'. Additionally, ASEZA has built a new, fairly well-kept playground (but not advertised) in the heart of the downtown market area, as well as out at the Royal Diving Centre although it is about 7 km from the city, not making it easily accessible to most of the city's

<sup>&</sup>lt;sup>93</sup> This was a phrase that was repeated over and over in numerous interviews over the course of my research.



<sup>&</sup>lt;sup>92</sup> ASEZA does not publish any crime reports or rates so it was not possible to verify if crime had, in fact, increased over the last several years.

children. There are several private play areas located at the various four-star hotels throughout the city but only those people who are either staying at the hotel or hold a membership to the hotel facilities can use them, meaning that few Aqabawi children are able to play at them.

The first new green space developed by ASEZA is the *Al Hammamat al* Tuonesyeh St. Park, which is located in the middle of the main road that cuts through the city centre. This city centre park reportedly cost USD \$750,000 to complete and extends from the Princess Haya Circle, located near the current Princess Haya Military Hospital and Ayla Park Plaza, all the way to Ayla Square, another circle where the Agaba Gateway, Royal Yacht Club, and the future J.W. Marriot Hotel are located. It is a lovely, shaded space with a meandering path, gentle slopes, grassy areas, picnic tables, drinking fountains, a large water fountain, wooden gazebos, an ampitheathre, and lots of trees, and it serves as almost an oasis from the extreme heat that is common in Agaba. It is fenced in save for openings a designated crosswalks, as it is in the middle of the city's busiest street. During the day, it is most common to find mostly men, both young and old, talking or playing games. Later in the day, you start to see more women and children taking advantage of this space. One often finds kids close to the fountain, eager to catch a spray of water from it in hopes of cooling off. The ampitheatre is used for outdoor screenings of films, music, community-organized activities, and just general socializing. Beside the ampitheatre is the recently remodeled tourism information office. It is well kept, with 150 ASEZA maintenance workers assigned just to this park<sup>94</sup>. It is relatively safe during the day,

<sup>94</sup> I was informed about the amount of workers in this park during an interview in 2009.



although some people alluded to problems after dark, such as inappropriate behaviour from young men towards women in the park in the evenings, even with plenty of other people around. However, many people view this park as a boost to the community and even to the economy. A long time shop owner, situated across the street from the *Al Hammamat al Tuonesyeh* St. Park, believes that this park has positively impacted his business, "the new parks are filled with people and you always see an official presence" (interview with author 2010).

The *Darab* Project is an urban green space that extends for 2 km, offering a winding pedestrian walkway, benches, a tiny ampitheatre, picnic areas, gently sloping hills, fountains, and sculptures that runs from a residential area to the downtown, essentially ending directly across from the Ayla Park Plaza. New office buildings and the new Islamic Hospital are being constructed immediately next to this park. With a price tag of USD \$1.2 million, this park is landscaped with grass, trees, flowers, and ornamental brick, it is a place where school age children play and hang out after school and families spend time in the evenings, though few tourists ever make it to this part of the city. While not specifically a playground for kids, this previously undeveloped, sandy lot space has transformed into a family-friendly, multi-use place within the city, encouraging use by a wider variety of the city's citizens and at all time of day. It is also quite open, with no fences, and as with *Al Hammamat al Tuonesyeh* St. Park, the *Darab* Project has many employees tasked with its upkeep. In fact, there is an ASEZA employee assigned to each block of the



park, ensuring that the area not only stays clean but also promotes a sense of safety and discourages criminal or other undesirable behaviour<sup>95</sup>.

# Other Social and Cultural Development

A public children's library has been established in the heart of the downtown market, with a children's playground situated immediately outside its doors.

According to ASEZA, nearly 20,000 have visited this library (www.aqabazone.com).

At this facility, cultural documentaries are screened and plays performed to a variety of social groups, including school groups, NGO program participants, and even a few tourists. Additionally, a mobile children's library project has been initiated and currently visits various sites throughout the city and the rural areas of the Zone.

Another public children's library project was started by the Noor al-Hussein Foundation in 1996, and is sponsored today by ASEZA and the Global Environment Fund (GEF). Here they offer more than books, there is an information technology centre that is a safe space for both children and women<sup>96</sup>, and additionally they host cultural activities and awareness campaigns, on topics including children's rights, drug awareness, and health care. One of their biggest projects focuses on

<sup>&</sup>lt;sup>96</sup> While there are many Internet cafés available all over Aqaba, these spaces are mainly used by young men and it is not uncommon to sit down at a computer and when you glance at your neighbour's screen, you see varying degrees of pornography (observations based on more than 10 years of informal observations and Internet café usage by the author). It is not overly appropriate for women and children to frequent these cafes. Typically, only foreign women use Internet cafés.



<sup>&</sup>lt;sup>95</sup> This idea of a green multi-use space being integral for successful urban development draws loosely on the perspectives of Jane Jacobs, who advocated for urban spaces that could be used by different groups at different times of day as a way to create community vitality.

environmental issues, attempting to raise children's awareness surrounding the coral reefs of Aqaba.

To date, ASEZA has provided nearly USD \$97,000 to a variety of NGOs who provide services for residents with special needs. This includes two classes that have been established for the blind, as well as offering visual and hearing aids, wheel chairs, canes, as well as clothing for special needs children around holiday times.

#### 5.2 Navigating the Gendered Norms

According to *The Economic Advancement of Women in Jordan: A Country Gender Assessment* by the World Bank (2005), Jordanian textbooks promote ideas of strength, bravery, leadership, wisdom, independence, and freedom as being typical males characteristics while references to kindness, love, sensitivity, and interest in caring for the family are the expected female roles. This traditionally and culturally patriarchal society has developed a clear separation of gender<sup>97</sup> roles, which create challenges for women's achievement of equal opportunities and rights to access to and control of assets.

Even as new economic situations and realities arise, such as families requiring additional income, there is hesitation to shift the income generating roles.

A major challenge to women trying to help out their family financially is the perception that home responsibilities, including child-rearing, are exclusively the

<sup>&</sup>lt;sup>97</sup> The term 'gender' refers to the economic, social, political, and cultural attributes and opportunities associated with being male and female, recognizing that the social definitions of what it means to be male or female vary among cultures and change over time.



responsibility of the woman, even if she has a job outside the home, putting a double burden on her. Outside perceptions of the place of women also add to the difficulty of women contributing financially as the culture typically perceives female employees to be expensive and unreliable due to their family responsibilities.

Therefore, according to *Gender Assessment Report* by ACED (2007), when additional family income is needed, rather than have a grown woman enter the workforce, sons are often pressured to drop out of school to get a job to earn money whereas daughters are more likely to drop out of school in order to get married.

Within Aqaba, the gender roles are typically even more traditional and conservative than in other areas of the country. This introduces a challenge to promote tourism development as a means of economic development and including local women in the expanding workforce within the city. Further, it creates a strain on the level of acceptance of having increased numbers of foreign tourists and the incoming economic development community, who may at times outnumber the local population. As one Aqabawi tour operator pointed out,

The people not involved with tourism are watching what is happening at the hotels and they are not happy. Controls must be put into place for both the locals and the tourists. Now we have a 1000 people a week coming to stay in Aqaba but in five years there may be 10,000 a week. That means 10,000 different ways of life (interview with author 2010).

Another local resident commented to me, "If they respect the culture, traditions, and religion, then no problem" in reference to increasing numbers of foreign tourists visiting the city (interview with author 2010). Specifically, they were addressing the clothing many of tourists wear when they are shopping in the city. Although



Aqabawis do not expect non-Muslims to wear a *hijab* or *dishdash*<sup>98</sup>but they do expect a certain level of modesty and local decorum as a way of showing respect to their hosts, the people of Aqaba and Jordan. Sadly, it is not unusual to see foreign tourist women in the city centre not only wearing shorts and tank tops, which could be overlooked in the more touristy areas, but many also wear bikini tops far from the beaches. Even the dress of some of the male tourists can be upsetting to some of the locals, such as tight revealing shorts and sometimes going topless while shopping in the *souq* for souvenirs amongst the Aqabawis, who are going about their daily business.

One of the key agendas of this Zone is to develop the socio-economic role of women, yet ACED's (2007:16) *Gender Assessment Report* found that "many potentially qualified young women in Aqaba are either unwilling or not allowed to work due to family pressure to keep to an exclusive role of motherhood or to satisfy their concerns about her working in a non-public sector or mixed workplace".

As introduced in Chapter Four, there are a variety of perceived challenges to employ the local population at many of the new jobs being created by the development projects. For example, most locals are thought to be undereducated or under qualified for most positions so there is a need to hire from outside the Zone or even the country. The Division Head of ASEZA's Tourism Product Development group stated, "tourism opens doors, especially for women" (interview with author 2010) yet a key problem encountered by business owners was social limitation, particularly around gender. Hotels are hiring women internationally because they

<sup>&</sup>lt;sup>98</sup> A *dishdash* is the traditional white cotton robe that many Jordanian (and other Arab) men wear in their daily lives.

cannot find Jordanian women to fill service positions to work in restaurants, bars, or spas. Local business owners, those familiar with the culture and even those who self-indentify as conservative Muslims, face difficulty in bridging the gender gap in their workplaces. For example, a female restaurant owner, who herself wears a *hijab*, explained to me (2010):

I would like to hire local women but their families won't allow it. I have been trying to hire a Bedouin woman to make shrak [a thin type of bread] in a stone oven in front of the tourists but no one will do it because they don't want people to see them. They could be veiled, I don't care, but they don't think about the future and the opportunities they could have.

#### 5.3 THE ROLE OF NON-GOVERNMENTAL ORGANIZATIONS AND USAID

NGOs have focused on how to create and prepare women for both formal and informal economic opportunities that will not interfere with their other household and family responsibilities. Home-based businesses are a viable option for many women that can supplement family income. Throughout Jordan, women have taken part in:J various government-supported micro- and small-loan programs. In the southern region of Jordan, women have mostly received agricultural loans for livestock at the subsistence level. Further, the Aqaba Business and Professional Women Association (BPWA) received a grant from USAID through the Aqaba Technical Assistance Support Program (ATASP) for \$86,000, which is aimed at increasing women's representation and participation in society and the different economic sectors in ASEZ (Kardoosh 2005).

While ASEZA has helped to finance training courses and feasibility studies with community organizations, the Jordan River Foundation's (JRF) Aqaba Director suggests that "ASEZA is focused more on the infrastructure and environment rather



than putting the community as a priority" (interview with author 2010). With the help of United States Agency for International Development (USAID), local and international NGOs have begun to coordinate, something that did not happen in the past. According to the JRF Aqaba Director, "community development has been around in Aqaba for a long time but it has not been focused. It has only been in the last five years that community development has become focused" (interview with author 2010). He went on to state that ASEZA's visibility in the local neighbourhoods was greatly needed in order to improve their reputation and sway the local population to more fully support the other developments taking place in their city, "If neighbourhoods see improvement then the wider city improvements may be better received. ASEZA is doing something for them" (interview with author 2010).

Coordinating the efforts of the various NGOs in the city has been spearheaded by the Aqaba Community and Economic Development (ACED –pronounced A-CED) Program, a five-year program funded by USAID, aiming to benefit both the people and businesses located in the Zone. ACED's 3 key objectives are to strengthen government institutions by working directly with ASEZA and the ADC, strengthen the private sector through attracting, supporting and enhancing the competitiveness and capabilities of micro, small and medium enterprises (MSMEs)<sup>99</sup> as well as

<sup>&</sup>lt;sup>99</sup> In Jordan, a micro enterprise is defined as having between 1-7 employees and less than \$20,000 in annual revenue. A small enterprise has between 8-30 employees and between \$20,000 and \$70,000 in annual revenue. A medium enterprise employs anywhere from 31-100 workers and earns \$70,000-\$140,000 each year. It is worth comparing these figures with other MENA countries: Egypt (micro=1-10 employees and less than \$170,000, small=11-49 workers and between \$170,000-\$2 million, and medium= 50-100 employees and between \$2-\$12 million); Saudi Arabia (micro=1-2 and less than \$27,000, small=3-49)



helping to develop and organize business associations<sup>100</sup>, and finally, to enhance community development by creating community-based organizations (CBOs) and encouraging the local community to participate in the decision making process.

Before ASEZA and ACED, the organization of NGOs scene in Aqaba was weak which then lead to a weak human, capital and institutional resource base, which is a problem faced throughout the MENA region. A ballooning youth population paired with high rates of unemployment, inefficient management within government, and uneven rates of development have resulted in declining incomes and civil unrest. The need for job creation and increased standard of living is of utmost importance within the region. While MSMEs are recognized as a way to develop local economies through increased employment opportunities and contributing to the overall GDP<sup>101</sup>, the MENA region has yet to foster an environment friendly to the promotion of SMSEs. It has been suggested the MENA-based SMSEs face several hurdles, including limited start up capital, poor governmental regulations and lack of business know how (Al-Yahya and Airey 2013).

In Aqaba, most NGOs had budgets that did not exceed a few thousand dollars annually and were dependent on only a few volunteers. Even though the ARA attempted to integrate the NGOs into a type of public development program, it was

and between \$27,000 and \$1.3 million, medium=50-200 and anywhere between \$1.3 and \$13.3 million); or the UAE (\*service sector only: micro=1-20 employees and less than \$800,000, small=21-100 workers and \$800,000 to \$6 million, medium=101-250 employees and \$6-\$40 million) (Al-Yahya and Airey 2013: 5).

<sup>&</sup>lt;sup>100</sup> For example, the Aqaba Cooperative Maritime Society for Glass Boats and the Aqaba Hotels Association, which includes 1-4 star hotels, and is the first of its kind in Jordan.

<sup>&</sup>lt;sup>101</sup> A 2013 (Al-Yahya and Airey: 3) study shows that SMEs can contribute upwards of 70% of employment and more than 50% of the GDP in some areas.

not until ACED became involved that regional cooperation, pooling of select resources, and program coordination began to take place. Now representatives of numerous NGOs –ranging in size, locality, and mission –meet on a near monthly basis, with members of ACED and ASEZA also in attendance<sup>102</sup>. Additionally, the different NGOs rotate hosting the meeting, which allows the other NGOs in attendance to see first hand the work that is being achieved, the people they are assisting, and to also promote a level of equality amongst the organizations.

At one such meeting I attended in 2010, the hosting NGO was located in the impoverished neighbourhood of North *Shallalah*. This local organization's mission focused on improving employment opportunities for women and their facilities included a small hair salon where women received instruction and practice in hairdressing, along with kitchens where they taught USAID-approved food preparation health and safety training courses. At the meeting, refreshments were provided including tea, coffee, and baked goods made and served by several of the women participating in the programs. This is in contrast to another meeting I attended that was held in a national NGO's Aqaba office, in a newer office building located in the downtown area, where store-bought sweets were served by an administrative assistant. This NGO's agenda focused on job training for youth however, but because the meeting took place during the day, no youth were present to discuss their involvement.

<sup>&</sup>lt;sup>102</sup> Throughout 2009 and 2010, I was able to attend 5 of these NGO/ACED/ASEZA meetings.



# World Associates, LTD. Agaba Life Center

International NGOs are not currently part of this coordinated effort but ACED still maintains close relationships with them, although one highly active international NGO has found many of their experiences with ASEZA to be less than cooperative. In large part this was due to ASEZA's ever-increasing claim to authority in within the Zone. This American NGO had received permits and permission to operate within Jordan from the Ministry of Social Development, which is outside the control of ASEZA, and so they went ahead and established two locations in the country, one of which was in Agaba. They chose Agaba because they "didn't want to see the people of Agaba pushed aside by huge development projects and foreign workers" (interview with World Associates' Director of Agaba, Robert Bashem and author 2010). Setting up in a residential neighbourhood in 2007, they soon found themselves shut down by ASEZA for a week. When trying to resolve this situation, and prove they had the required permits and permissions from the Ministry of Social Development, they were told, "you are not in Jordan, you are in Agaba. The laws of Jordan do not apply here" (interview with World Associates' Director of Agaba, Robert Bashem and author 2010). Further, they somewhat routinely undergo this song and dance as the personnel of ASEZA changes so quickly<sup>103</sup>.

This particular NGO employs mixed approaches in trying to reach their mission, which is to promote "self-sufficiency, personal development, and health in the community, especially among the impoverished" (http://www.wamiddleeast.org).

 $<sup>^{103}</sup>$  As mentioned previously, the organization and key people of ASEZA has undergone four makeovers since mid-2010.



In Aqaba, their headquarters is more akin to a community centre than an office.

Located in the heart of the Mahkdood neighbourhood, when one walks into the Life Center, they are greeted by a kitchen and café-like counter to the left and tables and chairs immediately to the front. Just beyond the tables and chairs, a sofa, along with a number of inviting chairs can be seen. Upstairs, there are classrooms, workspaces, and an exercise studio.

One of the key programs offered by this centre named 'WellFit Women", an exercise program aimed at local women as a way to increase their level of fitness, along with offering nutrition and childrearing classes while in a social environment for a nominal fee<sup>104</sup>. During these time periods, the Life Center is closed to male visitors and even the American male employees remain behind closed doors so that the women feel comfortable in this environment and are able to go without their *hijabs*. The exercise studio is located on the top floor of the centre and, while on my first tour of the facility –even though no exercise classes were in session, the male director of the Center requested a female employee to show me around on that level.

This NGO also offers English as a Second Language classes at a variety of levels, ranging from absolute beginner to advance conversational. According to the World Associate's website, more than 2500 students have taken classes at the Life Center since 2007. Additionally, they offer classes focusing on jobs skills including email writing, CV development and mock job interviews in English. The language acquisition program is subsidized from governmental programs, making these

<sup>&</sup>lt;sup>104</sup> This program was advertised through word of mouth only and quickly came to have a wait list of women who would like to participate. The program currently serves 50 women (http://www.wamiddleeast.org).



classes financially accessible to a wide range of Aqabawis and even free for Aqabaarea language teachers.

In 2009, they initiated a community prosperity program called "Green Creations"105, in part sponsored by USAID-ACED, whereby they merge poverty alleviation, environmental awareness, and economic opportunities. Targeting atrisk<sup>106</sup> local area women, this goal of this program is to use recycled materials, including paper, aluminum, glass and plastic to create green, income generating products: beads, jewelry, bags, bowls, purses, and baskets, along with pretty much anything else imaginable. Additionally, these women study English. Starting with five women, the program has grown into a cooperative involving 23 women, although more than 70 women have applied to join this group. These products are sold out of the Life Center, at a few of the area hotels, a popular artisan soug in Amman, and they even had their own store in the downtown area for a brief period but soon had to give it up because the rent expenses were just too high for them to keep up with. According to an employee of Green Creations, they had to leave the store because the rent was "outrageous and they couldn't afford it" (interview with author 2012). While I cannot speak to the exact amount of rent they were required to pay, I do know that commercial/business space in the same area their store was located in has increased drastically. A recent conversation with a real estate

<sup>&</sup>lt;sup>106</sup> World Associate's define 'at-risk women' to include "divorced, widowed, orphaned, married to a man with multiple wives, along with living below the Jordanian poverty line", which follows the United Nations Relief and Works Agency (UNRWA) definition (interview with World Associates', Director of Aqaba, Robert Bashem and author 2010).



 $<sup>^{105}</sup>$  Green Creations was originally called The Creative Co-op of Reuse and was put in place by Luke Glaze as part of his Masters research in Community Planning. He currently serves as the Green Creations project director.

developer in Aqaba stated, "offices now run for 5-7,000 JD a year in Aqaba, that is even more than in Dubai!" (interview with author 2012).



Figure 5.1 Women transforming recyclable material into art. Photo by Luke Glaze 2010 http://www.wamiddleeast.org/?p=165



Figure 5.2 This is an example of the recycled paper products these women create. This author purchased a similar purse in 2010 directly from the Life Center for 35JD. greencreations.gutensite.com



Figure 5.3 Former Green Creations store in downtown Aqaba.

World Associates, LTD have added to the city's economic and social landscapes by initiating a weekly street bazaar in the downtown core of Aqaba featuring Jordanian artisans and handicraft products –including Green Creations –as well as live entertainment and food on Friday evenings, called *Souk by the Sea*.

Launched in April 2011, the project aims to help local residents generate income through tourism in an organized yet still individual level by bringing together more than 30 artisans and home-based business specializing in ceramics, woodwork, jewelry, embroidery, and other handicrafts, along with art, music, performance, and food. Local artists and small business owners who have participated in USAID/Noor al-Hussein Foundation Aqaba Micro Business Incubator, an organization promoting small businesses in Aqaba, make up a part of the vendors participating at this artisan *souq*. Through the Incubator has offered courses, like "Improve your Business", where micro- entrepreneurs learned new techniques to run a business

professionally, keep records and calculate costs accurately (ACED 2011). By the end of the first year, it is estimated that 48,000 visitors stopped by this artisan market (ACED 2012). Because of its strategic location, the vendors are able to reach tourists, along with developing a local customer base for their goods. Moreover, it demonstrates that through tourism differing cultures can come together to socialize and benefit one another. This market was years in the making, but is now an ACED Community Enhancement Project and is funded in part by USAID, ACED, ADC, and ASEZA.

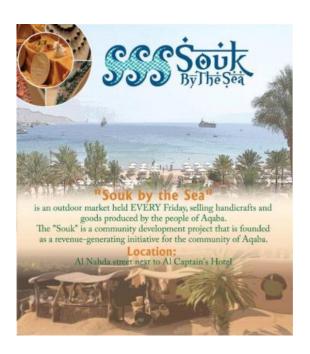


Figure 5.4 ACED's original poster for Souk by the Sea. www.aced-jordan.com



Figure 5.5 This is a 2012 poster for the souq. https://www.facebook.com/photo.php?fbid=429965167063048&set=pb.137343509658550.-2207520000.1352825666&type=3&theater

### 5.4 THE CULTURE OF SHAME

Tourism is touted as one of the growing industries within Jordan. As more and more visitors discover Jordan, the demand for qualified hospitality industry employees also grows. In 2007, USAID's *Siyaha* Project (meaning 'tourism' in Arabic) boldly declared that the "tourism sectors will need an additional 29,000 new skilled staff," to meet the needs of the hotel and restaurant developments being constructed throughout the country. However, what is known as the 'culture of shame' in Jordan discourages people, especially women, from working in the tourism and hospitality sectors. While Jordanians may pride themselves on their famous hospitality (Chapter Three), Jordanians typically see a difference between offering hospitality to visitors versus working within the hospitality industry, which is regarded as a loss of status (cf. USAID 2008, Chatelard 2005, and Kelly 1998).



The 'culture of shame' 107 phenomenon is not strictly having to do with working only in the hospitality sector but also discourages employment opportunities within the construction industry, service industry, entry-level positions for highly educated people, or any other deemed inferior or less important by their peers. As defined by the National Center for Human Resources Development (NCHRD) in Amman, 'shame culture' represents the negative attitudes expressed by people toward vocational work and vocational workers. This social stigma, which stems from Arab tribal traditions<sup>108</sup> –not religious beliefs<sup>109</sup> –is attached to what is perceived to be menial, physical, or hospitality based jobs, has exacerbated the unemployment situation throughout Jordan (Hindi et al 2008). As previously mentioned in Chapter Four, the government estimates that there are approximately 300,000 to 400,000 foreign laborers in Jordan working as domestic laborers, bricklayers, and other tasks. A 2012 *Jordan Times* editorial suggests that there are actually upward of one million foreign labourers in the Kingdom. According to the Jordanian Employment Ministry, Egyptians make up 68% of foreign workers in Jordan (Sharp 2012).

<sup>&</sup>lt;sup>109</sup> This is not just a Jordanian or Islamic phenomenon, rather is can be found in many other non-Muslim cultures including South Korea (3Ds: Dirty, Dangerous, Difficult) and Japan (3K: kitanai [dirty], kiken [physically difficult], kitsui [dangerous]).



<sup>&</sup>lt;sup>107</sup> It is important to note the 'culture of shame' in not the same as the 'culture of honour', which has to do with women bringing shame to their families because of their alleged 'inappropriate' behaviour.

<sup>&</sup>lt;sup>108</sup> It was explained to me by a Jordanian cultural consultant that the culture of shame has its origins in pre-Islamic society. Through feuds and wars, the losing Arab tribes would be taken captive and put into slavery, with the men doing difficult and dangerous jobs while the women became domestic servants or concubines. To be in these positions were seen as humiliating and shameful. Today, while people may be paid to work in these dangerous or service jobs, they are still perceived to be unattractive and shameful occupations.

There are many Jordanians who do not buy into the "excuse" of the 'culture of shame'. Rather, they see it as is "an expression invented by the government to cover their failure to solve concrete problems, such as unemployment, low wages and human rights violations" and then blaming the attitude on the people (Abuadas 2010). Abuadas (2010) argues that if wages and benefits were at a living wage, many people's aversion to cleaning, construction labour, agricultural labour, factory work, and service-industry (waiters, gas station attendants, messengers, etc.) jobs would disappear along with the stigma.

# **Working to Change Perceptions**

An organization based in Amman, *Nakhweh*, which encourages volunteerism started the *Mish 3aib* ("No Shame") campaign in 2011, which seeks to encourage young Jordanians not to be ashamed of taking jobs that are deemed by some as inferior or menial. It was developed partly in response to a question posed by the CEO of a large pharmacy chain on a social networking site, concerning whether unemployment in Jordan was a purely economic issue. This led to a lively discussion that eventually made its way into face-to-face meetings. According to Dr. Nael Khleifat from Tally Communications, this was how the *Mish 3aib* campaign was born. "In those meetings we came to realize that the problem was not just lack of jobs or opportunities, or even wages, but rather, the perception people have about certain jobs… this is why when you go to a restaurant, or gas station [in Jordan], you'll find mostly foreign workers" (Lillywhite 2011).

What makes *Mish 3aib* different is that instead of trying to create more jobs, they set about trying to change attitudes. It was decided that the way to begin the



change was to lead by example and to demonstrate not only individuals, but also to families and society, that the work was of nothing to be ashamed. CEOs, community activists, volunteers from the blogosphere and elsewhere got involved, working the pumps at a gas station on Queen Alia Airport Road, waiting tables, cleaning up roadside litter, and planting trees.

Another civil organization is also working to challenge the shame associated with certain service-based sectors. The Family Development Association (FDA), located in Amman, offers a training program targeted at women between the ages of 18-40 from low-income families. Their aim is to educate and empower women with the skills needed to enter into workforce, along with attempting to shatter misconceptions about what is and is not acceptable types of work. The women receive three months of training, with one additional month of on-the-job training. After this, the FDA helps to place the participants and act as advocates to ensure the women are receiving fair wages along with any other incentives to which they are entitled. By the end of 2012, the FDA had situated 15 women as domestic servants and another 200 in the hospitality industry (Abuqudairi 2012).

The Government of Jordan is also invested in helping to transform this attitude and has begun to heavily promote hospitality and tourism as a career choice to middle school and high school students. Over the past five years, USAID has held the "Tourism Enriches Our Lives" annual nation-wide drawing contest aimed at school children, which seeks to highlight the tourism sector as an employer of choice. They have also implemented workshops aimed at teachers, highlighting the cultural and historical significances of Jordanian history and why people around the



world are so interested in visiting Jordan. The government is attempting to help change their perspectives in hopes that they can also begin to encourage students to consider tourism and hospitality as a not only a viable profession but one in which they (and their families) can be proud to work.

Within Aqaba, ASEZA initiatives includes encouraging all students from grades seven through twelve to consider a career in tourism by taking them on fieldtrips to historical and cultural sites to highlight the importance of tourism in the region (Luck 2008a). Some programs take students on excursions directly to possible work sites, such as hotels and restaurants, to speak with the people who work there and to see first hand the possibilities. One such program is organized through ASEZA and the private sector and is called "Shadow Day" and typically takes place in May or June of each year. Here, students can sign up to actually work one day at a participating location. According to Feras Ajlouni, the Division Head of ASEZA's Tourism Product Development, the private sector has been eager to work with this program and had even offered summer employment to a handful of students based off this day (interview with author 2010).

Another program considered to be a success is the career awareness fairs that are attended by teachers, students, and parents. In 2008, sponsored by ASEZA, ACED, USAID and INJAZ (Economic Opportunities for Jordanian Youth), the first Tourism Career Fair took place and was attended by more than 700 participants over the course of one month. Weekly topics included "Inspirational Seminars" where pioneers in the local tourism sector openly described their career experiences and answered questions for high school and college students. The



second week offered students soft-skill capacity-building workshops. In the third week, students and their parents had the opportunity to participate in site visits of major tourism developments to observe operations firsthand. Afterwards, discussions were held with students, their parents, and tourism sector representatives. The fair concluded with a Tourism Career Day, in which attendees interacted with 47 companies to learn more about specific tourism careers and participated in discussion forums on topics including more than just tourism sector salaries, but issues such as women in tourism and the culture of shame. The inclusion of parents in this type of event is a novel idea but one that seems to be helping to lift the culture of shame. According to one parent at this event, "we are very happy because this is the first time we attended such an activity with our children. We are surrounded by tourism in Aqaba, but we never knew anything about the opportunities it creates" (ACED 2009).

Another similarly formatted career awareness fair was held in the spring of 2009, focusing on the construction sector. I was in attendance for parts of this fair, where construction support sectors were highlighted as worthwhile career options, such as architecture and accounting. The panelists encouraged the students to be creative and start thinking about how they could apply their interests to careers to the construction boom happening in Aqaba. Once again, various seminars tackled issues such as gender and the culture of shame, and employees from the local projects, including female Jordanian engineers and architects were on hand to help shatter some of the misconceptions surrounding gender in the workplace.



ASEZA had begun to receive multiple complaints from tourists and foreigners living in Aqaba concerning problematic and inappropriate behaviour from children as young as 10 years old, for example, the throwing of rocks at tourists while other young boys yelled profanity and sexually explicit pejoratives at foreign women. One French female ex-pat, who was married to a Jordanian man and had a small child with, explained to me how they were trying to move their restaurant business out of Aqaba to Amman for just this reason. Although being in business for three years in their neighbourhood, local boys over the past year had begun to run inside the restaurant, calling her 'Russian' – implying she was a prostitute<sup>110</sup> and even threw stones at her. She had begun to fear being alone in the restaurant or taking her son for a walk in the neighbourhood around their home (interview with author 2010). Yet another incident like this reinforces the issue, and illustrates a deeper meaning behind these incidents, perhaps indicating a problem greater than not liking tourists for tourism's sake. A Canadian blogger, commenting on the impact foreign policy in the Middle East tells her readers about an incident in 2002.

I was walking from my apartment in Aqaba, Jordan when a throng of young children began throwing rocks at me and shouting, "Yankee go home." The children, roughly aged 9 to 12, were well aware of American's role in the oppression of the Palestinian people (Peterson 2012)

<sup>&</sup>lt;sup>110</sup> Prostitution in Aqaba will be addressed further in the chapter, however it has typically been women of Eastern European descent who have worked as prostitutes in the port city.



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Figure 5.6 Tourist Friends Club flyer

To help address this problem, ASEZA has begun a "Tourist Friends Club". Established in March 2009, this club targets younger students, ranging from upper elementary school though middle school, in an attempt to reach a new demographic in their hopes to change perceptions surrounding tourism. Specifically, they wish to enable interaction directly between students and tourists. One way to achieve this interaction is for students to take turns greeting incoming tourists at the airport or the cruise ship port with local music and dancing. ASEZA officials visit the schools and chat with students, to try and get a pulse on their ideas and preconceptions surrounding the hospitality sector and they now have nearly 400 student participants in this program. They also hope the club helps to open minds of the local people to increased tourism by holding weekly outdoor events, including dancing, and music in the city center during the tourist high season. Further, they have various beach clean up days throughout the year and also have a booth at the



Souk by the Sea. Members of the club help to distribute flyers around to the area hotels and these activities do attract tourists but at least on the evenings I attended these events, the Aqabawis far outnumbered the tourists.



Figure 5.7 Tourist Friends Club postcard draw by 13 yr old

Art is also a big part of the Tourist Friends Club, as a key activity is to have students draw pictures illustrating what Aqaba means to them, from which a selection of these are chosen to be made into postcards and handed out to tourists.



Figure 5.8 Tourist Friends Club postcard drawn by 12 yr old





Figure 5.9 Members of the Aqaba Tourist's Friends Club welcome a group of Russian tourists as they arrive at Hussein International Airport November 17, 2012 https://www.facebook.com/photo.php?fbid=545961338751570&set=a.452009498146755.119464.201717696 509271&type=1&

Hindi et al. (2008:69) suggests that one way to challenge the culture of shame and encourage students to enter into vocational employment is to "stimulate students' religious beliefs especially those that complement the performance of physical and hand works". In other words, teach students about the value of vocational work from an Islamic perspective. The Quran states that honest work, regardless of what it is, is just as important as praying is to be viewed as a devout Muslim (personal communications 2008, 2009, 2010, 2013). According to the teachings of Abū Ḥāmid Muḥammad ibn Muḥammad al-Ghazzālī<sup>111</sup> (c. 1058 – 1111), work is given high importance to the extent that it is considered as an act of worship in itself and the Prophet Muhammad made it clear that getting one's sustenance from one's work is one of the praiseworthy acts of worship. Some people believe

<sup>&</sup>lt;sup>111</sup> Al-Ghazali has sometimes been referred to by historians as the single most influential Muslim after the Prophet Muhammad (Watt 1953).



that they are not obliged to work during prayer times but this is actually a wrong perception of the concept of worship (Ghazzālī 1999).

Not all the programs that focus on changing locals' perceptions surrounding hospitality and the culture of shame are aimed at students, however. In response to complaints received by ASEZA from visitors to the city about a range of difficulties encountered in local taxis ASEZA and ACED have developed an outreach program for taxi drivers. One of the most common complaints was from foreign male tourists stating that the taxi driver had refused to drive him anywhere. It was finally determined that the Jordanian taxi drivers were taking offense to these men getting into the back seat of the cab, rather than sitting in the front passenger seat, which is the Jordanian norm. While it is appropriate for a woman to sit in the back seat of a taxi, if a man sits in the back it signals to the driver that the passenger views him more of a servant than as an equal, which then insults the driver and ends with his refusing to take the passenger to their destination. This two-day workshop focuses on promoting visitor-welcoming behavior, as well as introducing cross-cultural sensitivity and respectful behavior, presenting a good image of Jordanians, and reaches about 200 taxi drivers each offering.

Changes to the negative perception of working in the hospitality industry are slowing beginning to change and a few local citizens are taking advantage of the development happening in the city as a way to secure jobs. For example, it is traditionally difficult for university students to find part time work as most jobs around the country only hire full time. However, new coffee shops and international chain restaurants seem more willing to work around students' schedules, which



allows this willing group of workers the flexibility needed to both earn money and get an education, rather than having to choose one or the other. During an interview with an Aqabawi residential developer, in the coffee shop Gloria Jeans –a Starbucks-like café –at the Ayla Park Plaza, he drew my attention to a staff member in the coffee shop we were meeting, a place he frequented often.

The young woman who works here has told me that she appreciates that they took away the park and put these restaurants here because now she has a job and can help contribute to her family while she is in school. We need more jobs like these for the young people (interview with author 2010)

## 5.5 'You don't belong here'—Unwanted People

The increase in land value is good for land owners but not for their sons (27 yr old female Aqabawi)

A social issue that often accompanies tourism is access to improved infrastructure. Development may bring resources, like water and electricity, to areas previously without but those resources are often in high demand and short supply. Along with being expensive and it is the local population, not the tourists, who will go without. This idea is supported by Lopez-Lopez et al. (2006: 359) who state, "while the tourist areas have excellent urban infrastructure and services, the opposite occurs in areas occupied by the local population". This can be seen in some of the world's most popular tourist destinations, such as in Cancun where water usage is prioritized for tourist consumption, leaving most residents of Benito Juarez (the municipality where Cancun is situated) with running water only three to four hours a day and nearly half the residents are not connected to the sewer system. On a daily basis, people are forced to navigate around live electrical wires sitting on the ground and some people use candles and oil lamps for light (Cooper 2003).



Yet another social impact of tourism on local populations is that of an increased cost of living. For instance, the cost of rent has risen dramatically in Aqaba over the last year due to tourism mega projects increasing the value of land.

Moreover, such projects have displaced neighbourhoods thus creating a surge in demand for places to live with rental properties beginning to charge twice what they had the year before. A long time resident of the neighbourhood *Rimal*<sup>112</sup>, and who until recently worked as a teller in a bank, told me (interview 2010),

My lease finished and I went looking for a new apartment for me and my wife. I discovered that apartments in the same neighborhood were twice the rent I was paying and all the building owners demanded six months rent paid in advance. We could not afford this. I quit my job and we are going to move to Amman where the rent is cheaper. I was born here, I don't want to leave but what choice do I have?

They soon moved to Amman, away from both their families, where the only job he could secure quickly was as a bus driver, earning less than he had in Aqaba but at least they could afford to pay rent in a comparable area to where they had been living in Aqaba, which was nearly half of what they would have had to been paying if they stayed in the port city.

### The People of *Shallalah*

Shallalah residents set up their houses ad hoc. They were living in miserable conditions! We moved them to a more reasonable location in order to be in harmony with the overall plan. You can't have five star hotels next to slums (Interview with former ASEZA Commissioner for Economic Development and author 2010)

Economic development affects more than just the economy, as its impact on both individual and social human capital is immense (Schuh 1992: 57). This is particularly true where local residents are relocated because of tourism related

<sup>&</sup>lt;sup>112</sup> *Rimal* is one of the neighbourhoods adjacent to the Ayla Oasis development.



construction, thus breaking down social relations, and leaving residents without transportation from their new living areas to their jobs. As Guggenheim and Cernea (1993: 10) assert, "resettlement is social change" and raises "questions about power, community, growth, equity, culture, and justice". Successful resettlement programs, states de Wet (de Wet 2006: 1), "require resettled people being economically better off and living in socially stable and institutionally functional communities, in a sustainable manner". However, he goes on to point out that in the majority of cases, resettled people are worse off than before. It bears to keep in mind, though, that not all communities are unsuccessful in having their needs and demands met by tourism planners and developers (Guggenheim 1993).

One of the poorest residential areas of Aqaba, which is adjacent to one of these mega-projects, has already faced displacement and encountered many of the expected issues that arise from it. The neighbourhood of *Shalallah* was moved from downtown to about 7 km from the city center, to a newly constructed neighbourhood of *al-Karamah*. One of the most densely populated neighbourhoods in the city, this low-income area was a community of mainly squatters, although squatters who had been living there for multiple generations, and many Aqabawis outside the area viewed them as criminals. It was located on prime land, on a hill overlooking the Red Sea. It was also beside the downtown *souq*. Talk of this move started back in 2005, as did talk of relocating many other residential areas, but it wasn't until 2010 this displacement became a reality.

Throughout the many years of discussion, ASEZA was tightlipped on the actual logistics and details of who would be moved and how and when it would be



carried out<sup>113</sup>. With the announcement of the Marsa Zayed mega-development project in 2010, active plans to move these residents got underway, as this area sat on the border of the development. An American ACED official, who had been speaking to an ASEZA official within the department organizing the relocation of *Shallalah* to *al-Karamah* about the move itself, recounted to me

They [ASEZA] gave them only on week notice! They honestly believed that this was going to be a wonderful surprise for the residents, like an exciting gift or something. Imagine only being given a week's notice to move your entire life! (interview with author 2010).

The move did not go smoothly. People did not want to leave so abruptly, and ASEZA began to be more aggressive in enforcing the move. Some people were arrested and detained until they agreed to leave the area. By April 2010 the area of *Shallalah* looked like a war zone. Much of this slum ended up being bulldozed, even though people were still living there. Driving through the area, one could see make shift lean-tos and smell burning rubber. Police were often present, discouraging outsiders from entering the area and forbidding any pictures or video to be taken. By May 2010, riots had erupted in response to the forcible removal of a blind resident. When the man resisted, the authorities reportedly hit the man. This led neighbours to throw stones while the police responded with tear gas, and some even reported live fire. This led to residents setting fire to an ASEZA official vehicle. ASEZA officials seemed genuinely stumped by why the move would be problematic. "We transferred people from poor to better facilities but the shift should have been

<sup>&</sup>lt;sup>113</sup> Several Aqaba residents told me that they had heard that residents of *Shallalah* has also been offered up to JD 20,000 to vacate the area, although no *Shallalah* resident I spoke with, nor ASEZA official or local journalists were able to confirm this. Even if they had been offered this money, it would not be enough to purchase another apartment.



easy. You are going from small apartments to a villa!", exclaimed the former ASEZA Commissioner of Economic Development (interview with author 2010).



Figure 5.10 View from the former area of *Shallalah*. Photo by author 2010



Figure 5.11 A razed house in  $\it Shallalah$ . Note the smoke from burning refuse. Photo by author 2010.



Figure 5.12 View of the Red Sea from the rubble of *Shallalah*. People were still living in this area at the time of photo. Photo by author 2010

They were not the first people to live in these new apartments of *al-Karamah*. Previously, people who had been moved out of *Shmaisani*, the area port workers' housing complex, were allowed to stay in *al-Karamah* for upwards of six months when their existing housing was dismantled to make way for development. At the end of this period, they were responsible for finding new housing on their own. Some reports suggest that they were given the opportunity to mortgage apartments through the Decent Housing for a Decent Living, which was introduced in Chapter Four but I could not confirm this with any ASEZA officials.

This in itself was not a major issue. Rather, many people felt that they way the apartments were allocated to the residents of *Shallalah* were unfair, rife with favouritsim, and perhaps even corrupt. One possible version was that to determine the allotment of new apartments to the residents of *Shallalah*, ASEZA based it on a 2004 demographic survey of the area, not taking into account that people may get married and leave the area, they may have additional children, and they may even



die. Another possibility was that this process only took into account the owners of the buildings and houses, not the tenants. This meant that some people who never actually lived in *Shallalah*, or lived there long ago, got houses while some residents who had been renting for long periods of time and who needed them didn't (Sheely 2010).

Another complaint was that the people distributing the new apartments only accounted for the head of the family, meaning that if a man had multiple wives, the man would only be allotted one home, not one for each family. The apartments in *al-Karamah* are not big enough to house multiple families (interviews with author 2010). Some argued that this went against what is laid out in the *Quran*. According to the former ASEZA Commissioner of Economic Development, "Only the people who were living on government land were transferred" because "They didn't own the land. You can't force people to move if they own the land" (interview with author 2010). This was reiterated by an Aqabawi who lived in another area of Aqaba, "The people of North *Shallalah*<sup>114</sup> bought their land but in *Shallalah*, it is the government's" (interview with author 2010).

It is also unclear as to how long these people can remain living in *al-Karamah*. Different people have heard multiple possibilities. Some people are under the impression that they can stay for six months while others reported they could stay anywhere between five to ten years rent free then will have the option to continue living there while paying a low rent. Others believe that the apartment is theirs to

<sup>&</sup>lt;sup>114</sup> North *Shallalah* is the neighbourhood adjacent to *Shallalah* that was not impacted by the development-induced displacement. This neighbourhood does not hold the social stigma of *Shallalah*, of only criminals living there. In addition, this they are active members in ACED's community development agenda, Neighbourhood Enhancement Teams (NETs).



keep (interviews with author 2010). However, the former ASEZA Commissioner of Economic Development was quick to tell me, "They do not have land titles in *al- Karameh*. This has not been decided on yet" (interview with author 2010).

The ASEZA website promotes the *al-Karamah* project as a healthy environment that will serve to better the quality of lives of the people of *Shallalah* at the same time as "open[ing] up the *Al-Shallalah* area, situated on prime real estate in the middle of Aqaba city to tourist and commercial exploitation" (www.aqabazone.com). At a cost of just over USD \$33 million, the site covers an area of 470² km and includes "985 residential buildings that contain 682 residential units, 75 commercial spaces, and 228 fully serviced lands, commercial buildings, mosque, school management building, Healthcare unit, gardens and Parks"[sic] (www.aqabazone.com).

Most people agreed that the newer apartments in *al-Karamah* were better than the conditions they had been living in but they are also problematic. Many of the insides were unfinished when it came time for the people to move in. In 2010, there was only one store operating in the area, and it was too far to walk to another one and too expensive to easily take a taxi. "People in *al-Karamah* complain because they are too far from the city", explained a young Aqaba resident who has friends now living in the area (interview with author 2010).

The mosque and schools sat empty, although plans were in place to have them operational for the next school year. The big problem was that this move took place mid-school year and most of the residents did not have a way to get their children to and from their old school yet school attendance in mandatory



throughout the Kingdom. Parents were threatened with fines if they did not get their children to school and the local government did not offer even temporary assistance, because according to one ASEZA official, they did not want the residents there to "get used to free transportation" (interview with author 2010).

Another concern was not only the distance from the city but the location itself, "it is a bad thing to have to move to al-Karamah because it is close to the new ASEZA buildings and the University of Jordan. Maybe we will have to move again because ASEZA and UJ won't want us to be next to them" (interview with author 2010). Additionally, there have been many complaints that construction was poorly done with minor issues of leaky faucets and more serious issues of electric outlets with no electric wiring. A resident from a different area of Agaba told me, "the houses in *al-Karamah* are not good quality. Maybe they will last only 20 years" (interview with author 2010). This project is now one that is being investigated for corruption (interview with Agaba resident 2012). This forced move from their downtown neighbourhood to the outskirts of the city has left residents of Shallalah/Karamah attempting to understand their contradictory position as both belonging and not belonging in Agaba, in response to the globalizing economic development taking place around them (Ong 1996). On the one hand, most of the affected families had lived in Shallalah for at least three generations, making them some of the city's longest inhabitants. However, this move to a new area, far from the city centre with little in the way of infrastructure (initially functioning schools or mosques), easy access to goods or services, or transportation has made it clear to them that they are not viewed as part of the new Agaba landscape.



Other neighbourhoods were told many years ago, as early as 2005, they would likely be needing to move because of development projects in the Zone, including the residential areas of *Shabia* and *al-Ameeyah*. In 2006, during an extended stay in Agaba, I was part of many conversations on this topic. Several families I spoke with during 2009 and 2010 continued to believe that they would need to leave their homes, especially once they heard that Shallalah had finally been emptied. In fact, when a couple of residents in *Al-Ameeyah* heard that ACED was planning on introducing a neighbourhood enhancement program within their community, they wondered aloud why ACED would bother putting in the effort and money when the area was to be displaced soon. The ACED people had never even heard of this possible relocation. When I asked the former ASEZA Commissioner of Economic Development about this, he pointed out "There are no plans for other areas to be displaced because ASEZA has no money!" (interview 2010). However, upon speaking to a manager of rental car agency, who keeps up with tourism development plans around the city because of his job, explained that the neighbourhood where his father-in-law lives will be impacted by development. His building will go from being on a secondary street to being on the main street because of Saraya Agaba. According to him, the building one block over, and currently on the main street, will be demolished and the street widened. He said that his father-in-law will not move since he owns the entire building but that he had heard that those in the affected buildings will take a cash settlement or that the government will likely have to forcibly remove them since people don't want to leave. Based on hearsay around the area, the payment was expected to be fair and be



enough for them to buy in a new area, although further out of city (interview with Aqaba resident 2010).



Figure 5.13 The empty mosque in *al-Karamah*. This picture was taken on a Friday right before mid-day prayers yet the mosque is completely abandoned. Photo by author 2010



Figure 5.14 The housing in *al-Karamah*. Photo by author 2010

## **Prostitution**

Prostitution is another key social issue that often comes along with increased tourism development. A plethora of massage parlours, featuring Asian and Eastern



European women have cropped up all over the city center<sup>115</sup>. These women would often be seen sitting outside on the sidewalk in front of these establishments, usually wearing culturally inappropriate clothing, as passer bys went about their errands and families were out for a relaxing evening. An Aqabawi student at the Red Sea Institute of Cinematic Arts (RSICA) complained that there was such a business on the ground floor of the building<sup>116</sup> the institute was housed. Students felt uncomfortable walking in and out of the building past these women. They even felt at times they were in danger, when they would stay late at night to work on editing their class projects, and would have to deal with the clients as they were trying to leave (interview with author 2010). When asked how these businesses could obtain the permits needed to operate when it was clear their business was against the law, Bilal al-Bashir, Director General of Jordan Development Zones Commission and former ASEZA Deputy Chief Commissioner, responded, after a pause,

I tell you, uh, we have, uh...massage is a legitimate business activity and we have zoning and land permits around where they should be located. There are guidelines in terms of on professional qualifications to operate. There are also standards for these massage facilities... health wise and ethically or morally (interview with author 2010).

It is not only the activity of massage parlours that have come under question but also the activities at one of the American fast food restaurants. One American resident asked me, "have you been to Quizno's? They are selling much more than sandwiches there now. The Asian women who make the sandwiches often leave randomly and get into cars with men" (interview with Aqaba resident 2010). It is

<sup>&</sup>lt;sup>116</sup> This building was situated in the city centre, amidst restaurants, cafés, and shops.



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 $<sup>^{115}</sup>$  An informal count was conducted in 2010 by the author while walking around the city, and at least 17 of these massage parlours were noted within the downtown area.

believed that these businesses targeted mostly male visitors to the city as when local men would visit, word would spread quickly and eventually get back to their families. Many of the residents of Aqaba felt as if the reputation of their home was being tarnished, encouraging illicit and 'immoral' behaviour (interviews with Aqaba residents 2009, 2010). It is worth noting that the majority of the massage parlours have since been shut down by officials and Quizno's is also no longer operational, although there is no way to say for sure why this location closed.

There have been further complaints that some of the foreign female hotel workers spend their evenings in local discos and bars moonlighting as prostitutes, often to the men who are staying in the hotels they work, along with local men. An employee within the ASEZA Tourism Product Development division noted, "it is easy for our young men to build good relations with these women" (interview 2010).

In addition to immigrant women working as prostitutes in the area, local men have begun to engage in gigolo behaviour with Western female tourists. These young men will meet tourist women and quickly establish a holiday relationship. Romance tourism is quickly becoming a commonplace throughout Jordan, mostly concentrated around the Bedouin of Petra and Wadi Rum. According to Peter (2010) for women, sex tourism in Jordan takes the shape of something much more akin to a vacation fling. A Bedouin guide takes a woman out for an overnight camping trip in the desert. Then, according to local lore, the desert moon works its magic, and regardless of whether the woman has come to the desert looking for sex, relations are had.



Out in the desert, it is easier to conceal this type of behaviour whereas when it occurs within the city, it is much more out in plain view. It is becoming more common to see young Jordanian men holding hands with foreign females tourists, or with their arms around one another. This public display stands out in an otherwise conservative culture, where married Jordanian couples rarely hold hands in public. One shopkeeper commented that although he has known some of these young men since they were children, he will no longer allow then into his store when they are with the foreign women, as he feels their behaviour is shameful. Aqaba, being a port city, has always had its share of prostitution but in the past it took place on the outskirts of the city and behind closed doors. The openness of it now angers and shames many Aqaba residents.

#### Beaches

The beach belongs to everyone. Every Jordanian has the right to walk on the beach, on all 27 km, and not one centimeter should be prohibited" (Abdullah Momany, Aqaba Diving Association Chairman)

As introduced in Chapter Three, a key attraction of Aqaba is its beaches. The spatial factors of the sun, sand, and sea typically lead to specific types of land use which tends to result in spatial and economic segregation in terms of beach related activities that creates "a physical location that it 'out of touch' with the local population and …the prohibitive costs of these activities ensure segregation" (Lopez-Lopez et. al 2006: 367). Further, Chapter Four highlighted the main tourism related economic development projects, including the luxury hotels and megaprojects. While the mega-projects are increasing the coastline of Jordan by nearly 24 km, they are still taking over the majority of existing beach access within the city,



resulting in transformed spaces from which local people, while not officially, are effectively prevented from enjoying. However, according to the Aqaba Tourism Marketing Strategy 2010-2015, "the city is quite effectively zoned, with quiet resorts separated from the noisier *shebabs* [young men] and families enjoying the public beaches and weekend bargain hunting" (USAID 2009: 28).

A recent survey, conducted by the Royal Marine Conservation Society of Jordan (JREDS)<sup>117</sup>, shows that 73% of Aqaba residents believe that access to the port city's beaches is now harder than a decade ago when investments in the Zone started (Takhaineh 2012). It is estimated that of the current 27 km of Jordanian beach front, there will be less than 5 km left for public use after the planned and ongoing investments are completed. In a short video made by JREDS, *Our Beaches are NOT for Sale*, an older Aqabawi fisherman lamented

I wish we could go back in time and Aqaba returns as it once was. I inherited the profession of fishing from my father who inherited it from his grandfather and passed it on to me. I love the sea. I would die for it. It is our bread and butter. It's a shame that soon we will lose every centimetre of the seashore and will no longer enjoy, and God knows if Medina ['city'] beach will survive this occupation. We might as well kiss it good-bye....investment should not come at the expense of our heritage. (Our Beaches Are NOT for Sale by [REDS 2012)

There has been a significant effort put forth by ASEZA to clean up the public beaches in the city. Partnering with different agencies, schools, development project CSRs, diving associations, and NGOs, there are now community clean up days throughout the year. Once filled with cigarette butts, curled soda can pull tops, and the ubiquitous black plastic bag found everywhere in Jordan, the beach was a sore

<sup>&</sup>lt;sup>117</sup> According to JREDS, the polling sample included 142 people from all walks of life, such as divers, taxi drivers, university students, fishermen and shop owners.



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sight and even dangerous for people to walk around barefoot on. It was normal to see plastic water bottles floating in the water by the shoreline and broken glass amongst the pebbles in the shallow water. A recent clean up dive collected 20 bags of garbage from just two dive sites. However, while everyone I spoke with about this clean up effort were very happy about their beaches finally being cleaned, many were worried that it meant that they would soon be developed as well. A glass bottom boat operator warned, "Clearing the beaches is the first step then the government will come in and buy the land to develop" (interview with author 2010). The former ASEZA Director of Marketing and Tourism Mona Howa promised, however, "the public beach in the city will stay public. Any development will be to specifically improve the area but not to privatize it" (interview 2010).

Additionally, much of the public beach had been home to a lot of vendors, ranging from beach toys to sunglasses to food and beverages. A lot of the beach was even covered with tarps, and plastic table and chairs were available to those who bought drinks or snacks. This, too, has been 'cleaned up'. No longer are vendors allowed to set up in the area. An ASEZA employee explained, "there were a lot of problems with the *al-Ghandoor*<sup>118</sup> area, people were uncomfortable with people trying to force people to buy things but now it is been cleaned up, the vendors have been removed, the locals are now comfortable" (interview 2010). Mona Howa pointed out that "the cafes there before were illegal and the vendors would ask people to leave the area on busy days, like on the weekends, if they were not buying anything" (interview 2010).

<sup>118</sup> *Al-Ghandoor* is the name of the public beach area within the city.



Several women commented to me, though, that they actually missed this covered part of the beach. As they don't go swimming and they remain covered in the *hijabs* and full clothing, it was a relief to get out of the sun and be able to watch their kids play in the water while they sat on chairs at tables. The newly 'renovated' beach does have a few benches with small umbrellas, they are few and already in disrepair. Further, the public beach has no facilities to serve the public, no restrooms, no changing area, no place to buy food or drinks, no life guards on duty, no play areas for the kids. The glass bottom boats operate out of the same space as where the local people swim, and the boats must navigate around the swimmers to dock their boats on the beach. Most people believe the beaches are not for families anymore.



Figure 5.15 The cleaned up public beach in Agaba. Photo by author 2010



Figure 5.16 The former public beach in Aqaba, *al-Ghandoor*, which was nearly completely covered by a thatched roof and had tables and chairs at which to sit. Photo by author 2006.

ASEZA is trying to promote the South Beach for locals. South Beach is located about 8 km to the south of the city, toward Tala Bay and the Saudi border. Beach access here is free and there are new facilities, like bathrooms, change rooms, and play areas for kids, but because of the distance it is a challenge for most Aqabawis to get to. To take a taxi out there is cost prohibitive and inconvenient to transport an entire family, plus it is difficult to get a taxi back to the city, as taxis do not just wait there. Starting in 2010, new public buses began running out to South Beach on a schedule, costing a little under a USD \$1.

They even now have bus service all the way out to Tala Bay. However, using the private beaches, like out at Tala Bay or hotels in the city, like the Movenpick, Kepinski, or Intercontinental, are out of the question for most Aqabawis. In 2010, the cost to use the Movenpick Hotel's pool and beach was USD \$52/person on a



weekday and USD \$65/person on the weekend. The cost at the other hotels were reportedly closer to USD \$100/person. It is possible to purchase memberships at these hotels, which were more economical than purchasing just a day pass if you had plans to visit more than just a few times, for example a three-month single membership at the Movenpick in 2010 cost USD \$450<sup>119</sup>.

Even if an Agabawi family could afford these prices, it was not unusual for them to face prejudice in trying to purchase one. An American NGO director explained that when talking to a Jordanian friend about his family's weekend plans, he mentioned that they would be going to Tala Bay Movenpick because they had a family membership. The Jordanian friend asked for details about the membership, like when they had bought it because it turned out the Jordanian friend had recently tried to purchase a membership but had been told that they didn't sell them. The two men speculated that perhaps the Movenpick did not want to sell memberships to locals because they didn't want them using their facilities (interview with author 2010). I did not find this idea so farfetched as back in 2005, I noted that a private day beach club -located where the Intercontinental now stands -was charging foreigners USD \$6.50 for day's entry, non-Jordanian Arabs USD \$13 for entry, and Jordanians USD \$26. When asked about why there was such a discrepancy in the pricing, I was told that they wanted to keep local men to a minimum within the beach club because they were more likely to bother the guests and behave inappropriately.

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<sup>&</sup>lt;sup>119</sup> This economic and social chasm creating two worlds has been found elsewhere. As a waitress in Cancun commented to Cooper (2003: 17) in reference to where she worked, "I've worked here twenty-two years, and never once have I been able to bring my kids to this beach".

# Neighbours or Potential Workforce?

The mega-development projects of Marsa Zayed, Saraya Agaba, and Ayla Oasis are not just opening more hotels in the city but actually creating new communities that will become part of the Aqaba landscape although not likely part of Agabawis' landscape, other than as a place of potential employment. These gated communities will only further make the local residents of Agaba feel unwanted, even fragmented, within their own city. Around the world over the past twenty-five years there has been a rapid growth of gated communities, including throughout the Middle East. In the United States, Latin America, and South Africa, the rise of gated communities has been attributed to an increase of fear for personal safety (cf. Caldeira 2000, Coy and Pöhler 2002, and Low 1997 and 2003). However, not all gated communities are created with this sole purpose, rather social, cultural, and economic characteristics of the community directs the purpose of the gated enclave. For example, there are three types of gate communities: prestige, lifestyle, and security zone. The first two are built as master-planned developments and are run by homeowner's associations or the developers. Prestige communities target higher socio-economic groups while the lifestyle communities are open to higher and middle socio-economic classes. The security zone gated communities are typically used by lower socio-economic groups wanting to safeguard themselves from crime and violence (Genis 2007).

In the Middle East, gated communities are viewed as 'modern' and prestigious, offering private cities for a new urban elite (Goldberger 1996). A study of these gated enclaves in Istanbul sheds light on what many of the people are looking for in this type



of living. Genis (2007: 773) states that residents "seek amenities and services they deem necessary for 'civilised' urban living with a community that shares similar social and cultural capital and aspires to the same lifestyles". Further, this lifestyle strongly defines "rules of inclusion and exclusion". Part of this inclusion revolves around selfsufficiency and little dependence on outside services. As these enclaved-resort cities plan to have all the amenities within their gates, including groceries, entertainment, and even health services, it makes one wonder just how much economic benefit it will bring to the city of Agaba if the residents are able to stay behind their walls. As a public relations director of a gated community told Genis (2007: 777), the lifestyle promoted by gated communities "does not seek to establish an organic relationship with its environs". As studies looking at gated communities in Cairo have shown, this form of investment and development often frustrate the local population and "spark opposition, resistance, or simply further exacerbate economic and political exclusion (Singerman and Amar 2006: 17). In Agaba, this frustration has led more to the latter, generating a growing sense of being left out of economic and political opportunities.

It is also typical to find these elaborately landscaped and architecturally eye catching gated communities situated beside local, impoverished, and crumbling neighbourhoods. Although visually disconnected, this pairing makes economic sense, as the poor, insecurely employed locals can provide an excellent supply of low wage and informal workers. When speaking with the Saraya Aqaba local manager about how Aqabawis might make use of this space he said, "70% of the facilities will be open to the local population", referring to shopping and entertainment facilities yet, based on the



prices of pool or beach access at the currently open hotels, I imagine they will still be economically inaccessible (interview with author 2010).



Figure 5.17 The development site of Marsa Zayed. Note how close the site actually is to one of the poorer downtown neighbourhoods. Photo by author 2010.

But perhaps this close proximity of the mega-projects to the lower income neighbourhoods will encourage corporate social responsibility (CSR) on the part of the developers. ASEZA has strongly encouraged CSR from all its developers and has attempted to include them in community building activities, such as adopting schools, helping with beach clean up, participating in tourism awareness campaigns, and getting out into the neighbourhoods and helping clean and paint. The Saraya Aqaba local manager proudly stated, "we have infused \$1.5 million into the community: SOS, diving, scholarships, bird sanctuary, and *Rabiah*" (interview with author 2010). Each of the mega-project's Facebook pages offer details on the various community outreach activities they have taken part in. ACED believes CSR is a way to promote sustainable socio-economic development within the Zone as well as an opportunity to increase

interaction and understanding between the private sector and the Aqaba community. In other words, if the partnerships with their new neighbours keep up this level of involvement after completion of the projects, the people of Aqaba may come to see these private gated communities as part of their daily landscapes.

So how do people see themselves fitting in within the development taking place in their city? As Mills (2008: 386) points out, "memories of place mediate contemporary cultural politics". As mentioned in Chapter One, I employed cognitive mapping as a research tool in order to better understand socio-spatial experiences of community members. Mapping involves either walking around a neighbourhood or city, with the cultural consultant choosing to talk about places and spaces that are of importance to them or having the consultants draw a map of a given space. In this case I asked focus groups and people I interviewed to "draw a map of Aqaba". I used this mapping technique as a way of locationalizing identity by taking into account political and economic processes while discussing shifting material and ideological landscapes in Aqaba.

With a sample of 52 maps, I found that all the maps showed key geographical markers of the city, such as the mountains and the sea. I found it telling that the majority of maps included hotels and restaurants as landmarks, rather than mosques, schools, hospitals, or the traditional market areas. Not surprisingly, few street names were listed, as throughout Jordan it is uncommon to refer to a destination by the street it is located on. Instead, people use landmarks, like stores, parks, schools, or mosques. What was interesting was that very few people included their neighbourhoods, though some did draw their houses, yet usually in relation to



the proximity to the new hotel complexes. To me, this indicates that there is a disconnect between where people see themselves living and plans for the city, that their sense of place identity is being altered by the new spaces being created. The tourism development appears to have redefined their own city and what the important aspects of it include. Below are two maps that I feel nicely represent the majority of maps I collected. In both maps, the sea and hotels are the key features. In the top one, you can see that the person labeled his 'house' [hose] on the left side and then directly across the street are multiple hotels. This gentleman lived in the area of *Rabieh*, which is located across from Ayla Oasis.

The person who drew the second map was the only one to include the full name of a street. The circle represents the one closest to the Aqaba Gateway and the 'M' is referencing McDonalds. The hotels included in this map are the Movenpick, the Kempinski, and the Intercontinental. Whether these new hotels view the residents of Aqaba as neighbours or as a potential workforce, it is apparent that Aqabawis have definitely begun to remap their understanding of the city, incorporating these new developments into their everyday landscapes.

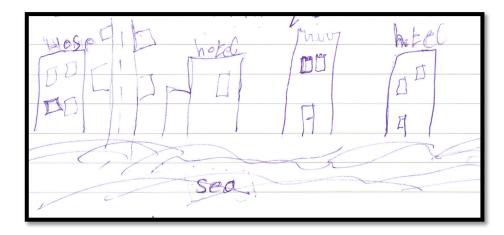


Figure 5.18 Map drawn by Aqaba resident. 2010



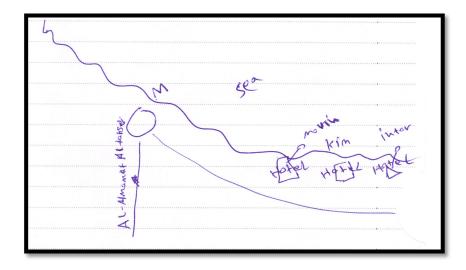


Figure 5.19 Map drawn by Aqaba resident. 2010.

#### 5.6 SUMMARY

One of the biggest complaints Aqaba residents shared with me was the "feel" of Aqaba was changing, but not for the better. The weekends are no longer for the locals but for tourists from Amman and abroad. They have no access to beaches, the local places are disappearing, and there seems to be more *shebabs* on the street than families<sup>120</sup>. Many feel that most development planned for city will not benefit them, just the investors and tourists. The do not like the way the way the development is affecting the culture, with more obvious prostitutes on the streets, strip clubs in the city, and public drunkenness at all time of day. A lot of people see neither themselves nor their families using any of the new spaces because of the cost.

Several people believed this was done on purpose, "they [hotels and restaurants]

<sup>&</sup>lt;sup>121</sup> During a 2010 interview conducted at noon with a manager of a car rental agency, two obviously drunk foreign men walked in wanting to rent a car for the day.



 $<sup>^{120}</sup>$  This is also an observation that I have made over the years of working and visiting Aqaba. In 1997, I was amazed at how I could look out my window at 10:00 or 11:00 at night and see families everywhere, out for walks, shopping, and eating ice cream (I lived above an ice cream parlour). When visiting Aqaba in 2005, I had begun to see a shift in who was out at night, seeing fewer and fewer families and more groups of young men on the streets.

are not intended for locals but only for tourists with money" (interview with author 2010). An Aqabawi employee within the ASEZA Tourism Product Development division observed, "the old beach area, it was one of the last images of Old Aqaba" (interview with author 2010).

Yet some see the social potential this development might bring. A local businessman applauded the transformation already taking place, "people are changing from drug dealers to business owners, such as coffee shops and supermarkets, because of development in the city. Leadership and belief in the vision of the city is starting to make a difference" (interview with author 2010).

Starting to overcome the culture of shame, more and more people are beginning to understand the employment opportunities that come along with tourism development. When more money starts coming into the city, access to social development also increases. Better educational opportunities at all levels are now being realized and the promise of up to date medical care is on its way. Both of these factors will greatly improve the day-to-day lives of all people living in Aqaba. Increased cooperation between NGOs and ASEZA will also have a huge impact on many communities within the city.



## CHAPTER SIX

#### CONCLUSION

The goal of this research was to better understand how the social and economic landscapes of Aqaba are being reshaped as the physical landscape is altered because of the tourism-related development expansion. I aimed to provide an ethnographic portrait of the lived social and economics realities that the residents of Aqaba experience within the transition to becoming a 'developed, world-class' city. In order to achieve this, I wanted to discover what the citizens of Aqaba saw as potential opportunities and possible problems of the proposed tourism development. I also attempted to recognize how people were currently using the space of the city on a daily basis and what these places meant for them and their families. Finally, it was important to understand how the changes happening at the local level of Aqaba could potentially impact the rest of Jordan.

To reach this level of understanding of all these phenomena playing out within the Zone, I conducted semi-structured interviews and facilitated several focus groups with a sampling of national policy makers, ASEZA officials, NGOs, tourism industry representative, business owners, and local residents not involved in any of the above. Additionally, I employed cognitive mapping as a research tool in order to better understand socio-spatial experiences of community members.

Through these conversations I learned that most Aqabawis do not see the economic



development having a direct positive impact on their day-to-day situations. They do however, have a more positive outlook on the social benefits that accompanies a healthy economic environment, including increased access to education and health services, and parks. The physical cost of this development weighs heavily on many Aqabawis, specifically when it comes to the loss of access to their beaches.

The first part of this dissertation served to situate the reader within the historical and contemporary frameworks of Jordan. Employing a macro perspective in Chapter Two, I provided an overview of the socio-economic and political structures of Jordan. Here I introduced the foundation of Jordanian economic development, highlighting the role of special economic zones and the use of tourism as a tool for development. Further, this chapter discussed how the Arab Spring has played out within Jordan. Chapter Three shifted to a more micro perspective, situating Aqaba within the national context, looking at the city both historically and in the present day. The inception, role, and impact of ASEZ and ASEZA on the local population were explored, beginning to paint the ethnographic experiences of many Aqabawis. This chapter also explored the character of tourism within the city specifically.

At this point, the dissertation moved to Part Two, which considered concepts of space and place, along with discussing how the physical landscape of the city is being reshaped by the economic and social landscapes of Aqaba. Chapters Four provided an overview of the various development projects planned by ASEZA, along with ethnographic narratives that illustrate the perceived and real impacts of this development on the residents within the Zone. Chapter Four explored potential and



realized economic opportunities. Employing the Dubai Model, the actual cost of such development was discussed, looking in detail at the labour force. Social changes to the fabric of the city, including aspects of gender, the culture of shame, the displaced neighbourhood of *Shallalah*, increased prostitution, and reduced access to beaches, along with the roles and impacts of NGOs in the city were considered in Chapter Five.

Throughout the dissertation I have grounded my discussion of the impacts of tourism development with ethnographic examples in order to illustrate how influences of the physical, economic, and social landscapes intersect through how people navigate the spaces and places around them. The framework I have presented in the dissertation makes connections between spaces, practices, and perceptions. I have attempted to illustrate how these connections play a key role in locating a renegotiated sense of place for Aqabawis in light of the tourism development explosion occurring around them.

### 6.1 Remapping Aqaba

Although a relatively young country, Jordan has survived regional unrest and global economic downturns with few exportable natural resources. Its solid relationship with the West has resulted in an infusion of development aid, although Jordan has also had its share of navigating the consequences of structural adjustment programs. The two key economic development agendas in Jordan are special economic zones and tourism. Currently, Jordan hosts multiple public and private SEZs, including FTZs, EPZs, along with the QIZs in partnership with Israel. In 2001, Jordan's Freeport, the Aqaba Special Economic Zone (ASEZ), was established.



Located in the southern governate and encompassing 375 km², it was designed to promote economic activities including retail sales, residential areas, industry and manufacturing, and tourism. It operates under the direction of the Aqaba Special Economic Zone Authority (ASEZA), who promotes itself as a one-stop shop organization. ASEZA became an autonomous regulatory, administrative, fiscal, and economic entity with responsibilities to govern within ASEZ. The role of ASEZA in the lives of Aqabawis is that of regulator and government authority. Its relationship with the local community is one of mistrust and is rife with tension. Local residents feel that ASEZA's only goal is to create an environment favourable to investors but with little concern about improving the day-to-day living conditions of the city's residents.

The last twelve years has witnessed Aqaba begin its transformation from an economically and socially marginalized port town into a key economic zone within Jordan. To date, the Zone has drawn in USD \$20 billion of investment by 2010, with more than half earmarked for tourism, far exceeding their original goal of reaching USD \$6 billion by 2020. This level of planned development means that the small city will undergo drastic economic, social, and physical reshaping over the next couple of decades, leaving many residents to wonder how they will navigate these newly created spaces and if they will be able to transform the spaces into meaningful places.

### **Economic Landscape**

Two questions need to be asked when considering tourism as a vehicle of development: will it lead to economic development and can it improve the quality of



life of local community members? At the urging of the World Bank, tourism has become a pillar of Jordan's economy, promising both economic and social improvements for the country. Already earning more than JD 1.5 billion (USD 2.12 billion) so far in 2012 (Malkawi 2012), tourism is the Kingdom's largest export sector, its largest private sector employer, and a vital producer of foreign exchange – which is second only to industry, and accounts for approximately 14 percent of the country's gross domestic product (GDP) (USAID 2012).

By the 1980s, Jordan had begun to clearly define their tourism brand, focusing on situating the Bedouin culture within with the ancient civilizations that once occupied the same geographical space, such as the Greeks, Romans, and Nabataeans. While most of Jordan has promoted its cultural resources to attract regional and international tourists, the draw of Aqaba has been the sun, sand, and sea. As a result of these spatial features, Aqaba's tourism growth has centered on the creation of new resort 'cities' and the promotion of beach and sport adventures. Regardless of the tourism brand, cultural or beach, tourism in Jordan has been greatly impacted by contemporary realities such as numerous regional wars, peace treaties with Israel, Arab Spring revolutions, IMF set structural adjustments, and even Mother Nature, all demonstrating just how fickle tourism dollars can be.

Seen as a lifeline to the country of Jordan, Aqaba has the "economic potential to be an industrial hub, business center and tourism destination" (interview with Director General of Development, former ASEZA Deputy Chief Commissioner Bilal al-Bashir and author 2010). But the economic agenda operating currently in Aqaba is aggressive and many people question how sustainable this form of economic



growth is, and at what social price. There is a multitude of both positive and negative economic and social implications that accompany the development of a tourism industry-based economy. For example, though tourism development does increase the employment levels in an area, this work is typically seasonal, wages are low, and there is very little job security or opportunity for advancement. While ASEZA projects that 50,000 new jobs will be created over the next several years, the majority of those will not likely be permanent, long-term jobs. The initial jobs in the construction sector typically employed Egyptians and other non-Jordanians rather than Jordanians. In fact, within the zone, companies are only required to employ up to 30% Jordanians and in some instances, they can petition to just hire 15% Jordanians, if they can make the case that Jordanians aren't willing or able to do the work. This is drastically different from the practices of the rest of Jordan. The Jordanians who are hired have typically moved to Agaba for this opportunity, rather than being hired from within the local population. One reason for this is that most of the companies' headquarters are located in Amman, not in Agaba, where they do much of the hiring.

The most successful economic projects so far in ASEZA tend not to be the ones aimed at tourists but rather at the local residents of Aqaba, such as neighbourhood malls, cafés, and education. This is where the local people see tourism development being successful, aimed at middle class Jordanians not only the upper economic class. Many residents commented that they would like to see more of the tourism development focused on families with children, things like a dolphin park, an amusement park, or even a bowling alley. As one young Aqabawi



shared, "in 5-10 years, it would be nice if they would add things like a movie theater or a water park, places that everyone can use" (interview with author 2010). However, the Director of ASEZA Tourism and Marketing complained, "People complain that there is nothing to do here, yet when we bring in different events, like concerts, no one attends. It is frustrating" (interview with author 2010). But, as a representative from the Hashemite Fund for Development-Jordan *Badia* pointed out, "Tourism projects must be designed and built by locals in order for it to succeed" (interview with author 2010).

## Social Landscape

Many residents of Aqaba do not believe that the promised job opportunities will be available to them because of the stigma of Aqabawis being uneducated, which prevents them from being seen as valuable resources. They do, however, see the social benefits to increased social development in their city. For example, having access to improved K-12 education, along with a college and university now located within their city, allows many more students to earn a degree than before because of the social norms and the cost of living away from one's family. This is what will eventually lead them to take advantage of the job opportunities. Increased access to excellent health care is also a recognized benefit of more and more outsiders, including Jordanians from other parts of the country and foreigners, moving to Aqaba.

Although there are definite drawbacks to such an emphasis on tourism, such as increased forms of prostitution in the city and increases in the cost of living, many people believed that tourism development was having a positive effect on both the



physical and social environments. People believed that the main reason the city is being cleaned up and beautified is directly because of the tourism development, "as a tourist city, ASEZA focuses on protecting the environment here" (interview with author 2010). Additionally, with the government pushing a tourism-based economy on the population, it has forced it to address the social issue of the culture of shame. By targeting the younger generation and their teachers, official and NGOs are attempting to shift existing ideas on what suitable jobs are and are not, "students must influence their families, it is the only way to change attitudes about working in tourism" (interview with author 2010).

### Physical Landscape

Drawing on the landscapes of a particular place as texts helps to define how social differences within a community are renegotiated. These landscapes are cultural products that both reflect and reproduce social realities of the city (Mills 2006). Examples of how the physical space of Aqaba is being altered, influenced by the construction of the mega-projects and hotels within the city, includes a decrease in the beach access for most Aqabawis, displaced communities, and spaces within the city from which local people, while not officially, are effectively prevented from enjoying due to economic and social disparities. Many residents commented to me that they could not see themselves or their families using any of the new spaces because of cost and they believed that they are not intended for locals but only for tourists with money. However a few other residents pointed out "If you have money, you can go, it is not restricted like a military area" and "even if we don't go to these places, they are good for the city because they create jobs" (interview with author



2010). A local businessman optimistically believed, "Aqaba is a living city which attracts the tourists as opposed to Sharm al-Sheik in Egypt. People will not stay within the wall of the resorts" (interview with author 2010). However, another resident was willing not so willing to divide the space, believing the new hotels were for foreigners but "downtown is for us [Aqabawis]". This same gentleman went on to prophesize, "Soon, no one will live here, every one will be past Karamah!" (interview with author 2010).

The map I received during a focus group made up of college tourism students sums up nicely the idea of how people are greatly impacted by their surroundings, in addition to how a space like a city can take on new social meanings when imbued with memory and narrative.

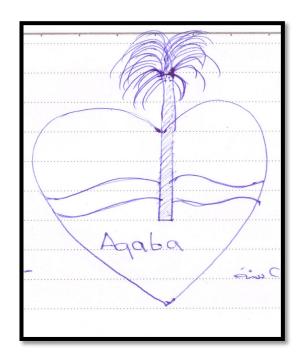


Figure 6.1 Map of Aqaba drawn by Aqaba resident. 2010.

#### 6.2 Significance of Research

Pursuing research in Jordan during this growth phase of the special economic



zone was an invaluable opportunity to examine issues surrounding identity, place, and representation through the lens of development in Aqaba. I envision this research adding to the discussion and critique of urban mixed-use development visà-vis community identity within the larger social and economic framework of anthropology, tourism studies and globalization. Specifically, I see this research as encouraging a dialogue from within the multi-layered Jordanian culture to the public sphere by facilitating, interpreting, and presenting the social and economic realities of Aqaba residents to inform diverse audiences. While questions of these sort have been looked at in tourist destinations throughout the Caribbean (cf. Brenner 2002; 2001; Gmelch 2003; Leatherman 2005; Medina 2003), relatively little surrounding this topic has been explored in the Middle East (cf. Daher 2007; Hazbun 2008) or in Jordan, save for Reid and Schwab (2006) and Abu Aliqah and Alrfou' (2010).

This case study contributes to a wider theoretical perspective on the commodification of space and place with relation to how both are often recreated and privileged for others' consumption outside of the local cultural and social contexts, which often times leads to the marginalization of the majority of the local residents. Exploring what is currently being experienced in Aqaba can bring about a more nuanced understanding to the similar phenomena playing out in places such as Dubai and Cancun, where –as in Aqaba –the very landscape has been physically changed in significant ways that impact the local people and ecosystems. Paying careful attention to these processes in action offers the possibility for the other cities to re-frame their understanding of and re-design their approach to working



with their local residents, as these people are forced to re-imagine how and where they fit into these newly created spaces primary intended for the Other.

Further, this research speaks to the growing scholarship on the deterritorialization of economic development through special economic zones. This process has been a push of neoliberal development around the world and certainly in the Middle East. Witnessing the process in its nascent stage offered an exceptional opportunity to explore the initial tensions that arise when foreign labor is brought in to take the place of more expensive local labor along with the 'invasion' of other cultures, which challenges local ideologies, behaviours, and ways of life. Further, it shares some of the implications of these zones as it presents a unique opportunity to explore questions concerning the perceived social and economic impacts from the local residents' and business owners' points of view. Additionally, it carries the possibility of informing public policies concerning development plans and ensuring that the voices of the local population are heard and recognized, not only in Agaba and Jordan but also in communities world wide who are experiencing similar urban development oriented growth. As Cernea (1993: 16) has asserted, location specific studies must "look beyond their own nose" and be used to formulate and inform "frameworks of action".

My research addresses the wider anthropological literature regarding economic development generally, and tourism and export processing zones specifically by investigating these themes beyond the economic impacts. My use of the anthropological lens allowed me to investigate the lived realities and social impacts that these development initiatives have for local people in their local



contexts. With all the development projects planned, Jordan and ASEZA are hoping to transform Aqaba into a global city through an internationally networked economy (cf. Sassen 2007).

The particular value of my work to the field of anthropology, as well as the theoretical understandings of commodification of space and place, as well as the deterritorialization of development overall is that I have been witness to this particular process over the course of several years, situating me in a position to continue to add to the literature on these subjects as economic, political, and cultural shifts occur paying careful attention to the local population and monitoring how their perceptions continue to shift as the development of their city moves forward. Many Aqabawis are attempting to take advantage of the tourism development that is so drastically restructuring their landscapes through their agency not just by accident. However, if they remain marginalized from the development process or are not part of the community's identity renegotiation, I question just how much of 'Aqaba' will remain in Aqaba?



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