

## Real Estate, bread and circuses

### How the new society develops in the Gulf region

Friday, June 18, 2010 by [Bernard Hulsman](#)

In the Gulf state Dubai is a new society emerged: the market society. The kafala system has every inhabitant of an antisocial outsider made. "Come here, earn and consume."

Syed Ali: Dubai. Gilded Cage. Yale University Press, 240 pages € 20, -

"Speer meets Disney on the coast of Arabia." Described as the American sociologist Mike Davis doomsday in 2006 Dubai, the city in the United Arab Emirates in the early 21st century, rapidly became a shining metropolis. Four years later, still excites the Dutch architect Rem Koolhaas here about it. Lazy criticism he calls these and other depreciating descriptions of Dubai in his preface of *Al Manakh 2. Gulf cont'd*. Western critics see in Dubai only the rampant consumerism and the omnipotence of developers, he writes. But in reality, Dubai and other cities in the booming Gulf region an exploration of "the relationship between Islam and modernity. They are "Arabs hope that Arab modernity can work."

*Al Manakh 2*, the successor to *Al Manakh* in 2007, aims to show what the actual developments in the cities of Dubai, Abu Dhabi, Manama, Kuwait City, Riyadh and Doha. The second part is made by almost the same team as the first and includes, inter alia, AMO (the think tank of Koolhaas' architectural firm OMA) and Dutch Architecture Institute (NAI) exists. It has helped some 120 authors more than 140 articles and interviews writing. The result is a book like Koolhaas and his colleagues previously published new Chinese cities and shopping. With more than 500 mostly densely printed pages is an endless *Almanakh* second book, with lyrics that range from ten tips for a successful urban advisor to the Gulf region to something that is closest to a brochure for property investors.

*Al Manakh 2* is "exclusive sponsor" of the Abu Dhabi Urban Planning Council. It goes without saying that the 120 authors never critical of the Gulf cities like Mike Davis and other Western critics. Thus end the different pieces on the impact of the financial crisis in Dubai and other Gulf cities increasingly optimistic. The crisis is a 'good crisis', set Daniel Camara and Mitra Khoubrou eg fixed. Dubai The economic downturn probably means the end of the absurd race in icons, including spectacular buildings is called, and more attention to 'social inclusion' and 'greater perspective on identity "(whatever that may be) and' less same and new alternatives. "

The closest fundamental criticism comes Shafeeq Ghabra in '*Modern Gulf Cities*'. He argues for a reform of the Gulf to Western democratic cut. "The Gulf states need more political and personal freedoms," he writes. It must of powers be implemented, a divorce is secularized - the mosque is a place for Islam, will Ghabra - and still authoritarian-ruled Gulf states should be democratized, they want to take the next decisive step toward modernity.

Ghabra's argument relies on the age-old political science notion that capitalism sooner or later can not live without democracy. But times have changed. China and other Southeast Asian countries show that capitalism is well compatible with authoritarian regimes. And Dubai is rampant capitalism well with a

regime that wants to know little political or media freedom, according to Dubai. Gilded Cage by Syed Ali, an American sociologist who teaches at the University of Long Island in New York. In the introduction to his book on the "utopia of greed" as Mike Davis has called Dubai, Ali George Soros cites, the wealthy speculator who is now engaged in the promotion of democracy. "We can have a market economy, but not a market society," said Soros once. By this he means according to Ali needed the globalized world has standards and value system in which capitalism can not provide.

In his book Ali convincingly shows that Dubai is precisely nothing other than a market society. "The model of Dubai, where most forms of civil society and civic participation does not exist, it works precisely because it is a market society," he writes. "It is the seductive power of Dubais unlimited consumer culture that is largely responsible for attracting and retaining employees." Come here, earn a lot and consume, is the watchword of Dubai. Freedom is the freedom to take and showy consume.

In the first part of Dubai Ali describes how the city around the turn of the century was a 'market society'. When it became clear in the eighties that long oil would not be a major source of income regime emir Rashid II sought the future diversification of the economy. Dubai in the Middle East had become the center for tourism, the financial world and especially for real estate. For this purpose, the world invited to Dubai to come to work and build. "For developers and architects Dubai is a paradise," writes Ali. The highest skyscraper in the world, the largest shopping mall, a replica of the Hanging Gardens of Babylon, a building that looks like a traditionally dressed Arab, an indoor ski slope with real snow - everything was, until recently at least, possibly in Dubai ( see inset). Thus Dubai in ten years become a surreal metropolis, a sterile chain of skyscrapers, shopping malls and gated communities.

But unbridled capitalism has a price. The workers mostly coming from Pakistan and India who built the city, according to Ali proletarians who are tucked away in squalid camps. Often they do not get their wages and at the least they are protesting the country uitgeknikkerd. Almost the same fate befell the thousands of underpaid maids and nannies, mostly from Indonesia and the Philippines. And rechtelozer are many prostitutes in Dubai. They are often victims of trafficking.

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Come earn and consume more

The expats working in the real estate and finance, are in better shape. But what they share with the workers and nannies is that they are tied to the kafalasyteem that prevails throughout the Gulf States. Kafala means that all companies in Dubai for the majority of hands must be Dubaiānen and visas for foreign workers be provided. Dubai Tibetan employers Every foreigner who comes to work in Dubai will also receive only a three-year visa. Job change is therefore nearly impossible. Ali kafalasyteem therefore calls it a modern form of slavery.

The kafalasyteem is created to prevent the oil wealth should be shared with immigrants. A western foreigner can, in principle, not be a citizen of the United Arab Emirates, how long he lives in Dubai. Only Arabs who are Muslims, are in exceptional Dubaiāan. Even children of Western expatriates who were born and raised in Dubai, can not. If they are eighteen, they need to ensure they get a visa through an employer or their school.

Vividly, but with an excess of basically programs, the filler of contemporary American, Ali describes the consequences of the kafala system. At intervals he has lived for some time in Dubai over the years and thoroughly he leaves his new acquaintances and friends talking. Almost all of them are among the 90 percent foreigners from whom the people of Dubai now exists. All of them are aware of the uncertainty of their existence and the finiteness of their visa as a sword of Damocles hanging over their heads. They also know that protests or political activity often lead to deportation. But very busy making they do not care what Ali calls their permanent impermanence. They are sure that they will leave sooner or later Dubai again - in 2009, the population of Dubai with more than 15 percent return - and enjoy it for as long as it

takes the life of luxury that they can lead it. This also applies to the middle class of shopkeepers mostly originating from India. They realize that they have been given that they would have had. Never because of the caste system in their own country opportunities in Dubai

The result of the "permanent temporariness" is that nobody meddles in politics or social life in Dubai. Everyone is a rootless outsider, even the small minority of aborigines. Also who wallows, with large benefits or well-paid jobs in the public banter, in a luxurious life. With them, the regime of the emir commuted political and social peace with bread and circuses. The result is that Dubai thing as a society is absent, the city has an unbridled market economy is driven by an authoritarian state, and consists of a population of antisocial outsiders. In this sense, Davis' characterization of Dubai as Speer meets Disney at all not so bad.

## **Dubai and the crisis**

While it seemed real miracle Dubai last year to implode. After years of heady growth, mainly due to the construction, the Dubai government announced in November 2009 that Dubai World, the investment company of the emirate, was going to delay payment about. Dubai World then had a debt of \$ 59 billion. Dubai World's biggest problem was the cost of 26 billion dollars in the developer Nakheel.

In the preceding months, the prices of real estate in Dubai as a result of the financial crisis erupted in 2007, fell sharply. Construction projects were halted, plans were off and adjusted. Ex-pats and foreign workers left in droves Dubai.

Following the announcement of the postponement of payment, declined stock markets worldwide. Dubai World was saved by a loan of \$ 10 billion from Abu Dhabi, the neighboring country of Dubai that, unlike Dubai, still has high revenues from the extraction and sale of oil. Dubai World and the Dubai government are now engaged in negotiations with creditors on debt restructuring.

Recovery of the property market in Dubai is not yet in sight.

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