THE ABJECT DREAM OF NEO-CAPITAL

Capitalist Urbanism, Architecture and Endangered Liveability of the Middle East’s Modern Cities

Abstract

This article interrogates the notion of “New Capital” in the context of the hegemony of neoliberal urbanism in the Arab cities in the Middle East from historical, socio-economic and spatial perspectives. It reviews the historical narratives of new centres and districts in Cairo, Beirut and evolving capitalist urbanism and architecture in the Arabian Peninsula in search of elitist dream of neo-liberal urbanism. It offers a comprehensive analysis to the notions of neoliberal ideology and urban policies, neoCapital city as catalyst for nation-building and neoCapitalist architecture as reproduction of clone structures of western models. The paper focuses its critical analysis on the aspects of liveability in the contemporary Arab City and its socio-spatial structures and everyday urban reality. It reports on urban narratives based on archival records, urban projects and investigation of governmental accounts to determine aspects of success and failure in projects of new capital cities and districts. It argues that cities are essentially social-spatial system in which hierarchy is a fundamental element, the lack of which determines object failure of their anticipated vision.

Introduction: “NeoCapital” urbanism in the global city

Capital cities play a vital role in a nation’s life and psyche as they serve as a central repository of political, geographic and economic balance and as the seat of government. They reflect the nation’s identity and play a crucial role in legitimizing the state through the concentration of formal institutions and sustained networks of power, economy and politics. (Rawat, 2005; Dascher, 2000) Changing the seat of government prompts questions on the very identity of the nation; socio-geographic implications; and images that capture envisioned change. Over the past century, new capital cities were entirely designed such as Brasilia, Ankara, and Astana while other smaller cities were developed to serve a nation-building project or act as a home for International Organizations such as Chandigarh, Bonn, Brussels-EU, and Geneva-UN. Such facet of identity is often accomplished through cultural and architectural means, where national institutions, educational establishments, galleries, museums, and memorials are all geared up to encapsulate a meaningful image of the city symbolism (Jones 2008). Such displacement of institutions of power and reshaping national identities were ever so explicit as was the case in the reconfiguration of new power hubs in the European Union (Risse 2001)

Middle Eastern cities have operated in a hierarchy, in which each one has a role to play as a provincial capital, port, religious or trade center and where the livelihood of city inhabitants were embedded in everyday mobility, connectivity and interdependency. Over the past three decades, Neoliberal policies and the flow of wealth prompted regional rivalries over the credibility of each city as a regional power broker (economic, political and cultural). Emerging cities such as Dubai/Abu-Dhabi/Doha have started to challenge old metropolises such as Baghdad/Beirut/Cairo over their capacity for attractiveness, accumulation of wealth, cultural events and international corporations (Salama & Weidman 2013). Through challenging normative spatial structures of interdependent cities, the financial power of urban elites introduced new perception of the city’s liveability ‘behind closed doors’. Compounded with planning naivety and ignorance of the middle class, neoliberal planning and policies succeeded in speeding up urban disharmony, social segregation and growing unemployment (Goodman et al 2010). New Cairo in Egypt, Beirut’s Downtown, Dubai’s Nakheel have largely reshaped new “Micro” systems of urban structure, spatial order and living culture that are removed from everyday realities of their “host” cities; creating alien territories within old fabric. Recognizing the failure of privatized luxurious urban life in old metropolises, proposals for “new ‘private’ capitals” have resurfaced by neoliberal economic alliances such as EMAAAR, Solidere and ELDAR, aiming to displace economic and political centers towards new privately developed and owned capital cities/ quarters.

Urban historians, however, argue that new capital cities are by no means new proposition in regional urban history or socio-political discourse. Current metropolises have, in fact, been founded as new towns, quarters, or cities that were designed away from congested settlements. In spatial terms, urban bourgeoisie tend to develop living havens in enclaves that are distant from the populace’s everyday life (Abdelmonem 2016). The
logic of human settlements as sets of spatial relationships and inter-dependent infrastructure have always defied models of distinctive and manufactured life-style. In this paper, I interrogate the model of "New Capital" city as a neoliberal strategy of exclusive urban environments, where power and capital are separated from the ordinary citizens. Hence, the 'NeoCapital city', as this paper calls such model, is set to examine the notion of NeoLiber urbanism in the Arab Middle East by looking at the implications of clones of capitalist architecture and urban developments on the liveability of Everyday spaces. It offers conceptual analysis and theoretical framework on three levels of inquiry: first, 'NeoCapital city as a political strategy for rebuilding national identity'; 'Neoliberalism as ideology to reshape socio-spatial structure of the city through creative destruction of normative reality'; and 'NeoCapitalist architecture as object clones of global imagery'. I will not exclusively discuss brand-new cities, but also new quarters or private developments in existing cities that represent the agenda of new-liberal and capitalist architecture.

Neoliberal ideals reshaping disingenuous urban reality

“The growth of high-profit corporate service firms and of a high-income professional class becomes legible in urban space through the growing demand for state-of-the-art office buildings, luxury residences, and luxury consumption spaces. The growing demand for both leads to often massive and visible displacements of the more modest-income households and modest profit-making firms... In this process, urban space itself becomes an object for contestation: the gentrifiers versus the displaced.” (Saskia Sassen, 2009)

In the discourse of neoliberal ideology, national institutions of authority use their monopoly of power and violence to negotiate policies and decision making with the oversized international corporations. Neoliberalism is broadly defined as an approach to economics and social studies in which control of economy is shifted from the public sector to the private sector. It has been used differently amongst scholars and theorists who underlined its meaning through practice and policy-making (Saad-Filho and Johnston 2005). Neoliberal ideology rests on the principal belief that competitive and unregulated markets, liberated from state interventions and actions of social collectivities, are the cornerstones for the optimal mechanism for socio-economic development. (Peck, Theodore & Brenner, 2009) Neoliberalists have deep antipathy to forms of social and institutional solidarity and what they call the ‘tragedy of the commons’ and the irresponsible exploitation of common and natural resources such as land and water. (Harvey 2005, 65) ‘Privatization’, ‘deregulations’ and ‘competitiveness’ are utopian notions to eliminate bureaucracy, increase efficiency, improve quality and reduce cost. In this sense, private and multi-national organizations and self-regulating markets replace the authority of the state and associated welfare policies. In neoliberal literature, a successful city means a competitive and attractive one particularly to foreign investment.

Driven by neoclassical economics, neoliberalism suggests that governments reduce deficit spending, limit subsidies, broaden the tax base, eliminate fixed exchange rates, open up markets to competition, privatize state-run businesses, allow private property and back deregulation (Touraine 2001). Neoliberalism relies chiefly on delegating governance to the expert elites that is commonly translated as the ‘elitist rule’ under the jurisdiction of ‘the court of law’, to which the state is treated as equal an entity to individuals and companies (Chomsky 1999; Plehwe, Walpen & Neunhoffer, 2006). Under the pretext of neoliberalism, policies were deployed to justify the deregulation of state control over industry, assaults on organized labor, the reduction of corporate taxes, privatization of public services and assets, the dismantling of welfare programs, and the enhancement of international capital mobility. For neoliberal politics, creative destruction to existing socio-economic structures and hierarchical order and responsibility becomes necessary. (Brenner and Theodore 2002) The Financial Crisis of 2008 and EU-Greek bailout crisis in early 2015 exposed early failure signs of neoliberal strategies and irresponsibility of multi-national profit-seeking banks and corporations, whose private interest shaped the development plans and projects in many cities, such as Dubai, London and Barcelona.

Neoliberal Urbanism, in this sense, is more about new investments, new developments and reshaping the ineffective projects based on value, market and demand. Especially for developing world, such as the Middle East, neoliberalism was a promising proposition for governments seeking foreign investments to support underachieving economies; a reverse to the socialist and nationalist governance of 1960s-1980s. However, this debate poses a principal question: How could the liveability of the city be maintained if the government has no control over its markets and types of projects, investments and services provided? It also sets off alarm bills on accountability, and the extent to which power is given to unelected corporation and foreign organizations to decide the fate of policies and urban strategies such as privatization of national services, transportation and
infrastructure in a given country. (Bauman 2000) The spatial politics of neoliberal urbanism could be palpably examined in relocating capitals or through the manner with which political identity and economic power have influenced new forms of architecture and urban fabric.

Fig.1 Solidere’s Beirut Central Business District master plan
(Source: solidere.com)

Fig.2 The Palm-Dubai Development
Despite its utopian ideals and propositions, neoliberal practice and weakened state power have generated ubiquitous market failures, social polarization, a dramatic intensification of uneven spatial and urban developments and a crisis in city governance. (Peck, Theodore & Brenner, 2009) Furthermore, political theorists insist that authoritative state power was required to force free-market policies and destruction of the social-welfare state amidst wide societal rejection: the state had to intervene to disable itself. The dysfunctional effects of neoliberal urbanism, include deterioration of services to modest-income societies, deprivation of resources to low class population and rise in service privileges in wealthy business neighborhoods and compounds. (Amin 1997) Crucially, the manifold disjunction between ideology and practice; doctrine and reality; vision and consequence have exposed the notion of a freestanding, self-regulating market as a dangerously productive myth.

“NeoCapital” urbanism in the global city

The prerequisite of new order demands visual image to illustrated the new vision. Brazil’s National Congress building designed by Oscar Niemeyer was the first image to capture Brasilia’s promising future. Similarly, ideals of utopia have also served as the inspiration for the new city in both Brasilia and Chandigarh. Interestingly enough, both were symbols of modernist hope as well as grand utopian projects that can both inspire and disappoint in 1950-60s (Baan 2010). The rigid street grid and anti-pedestrian layout was a fit for formal urbanism of bureaucracy but less of a vibrant and social-friendly city (Dibbell, 1992). Le Corbusier’s Chandigarh was supposed to be an emblem for post-colonial independence. Rather, it ended up designed by Western architect and were alien implants into foreign culture; a symbol of dysfunction for foreign architecture. Shanghai, New York or Barcelona, on the other hands, are cities of power that surpass their capital cities in playing more influential roles in nation-building image and identity, driven by international corporation and the flow of private capital. They exert power on foreign territories and international markets through managing airports, sea terminals and banks. Moreover, Qatar’s need for foreign labor for its 2022 FIFA World Cup infrastructure projects and Dubai’s skilled migrant labor have shaped the character of not only their host city, but also the living standards back home in Pakistan, India, Philippines and Indonesia (Kanna, 2011). Those masses of labor, in return forced the development of liveable spaces that relate to their home countries with the largest markets and many restaurants in both cities serve and offer Pakistani or Indian’s products (El-Sheshtawy 2010). The same goes to the China Town in London, New York and/or San Francisco.

With multi-national boundary-less neoliberalism is increasingly prevalent in world spatial systems, its economic power and influential financial establishments effectively create new structures, spatial order, and reshape the culture of living in many cosmopolitan cities since the start of the Twenty First century. To this effect, The Nation-State’s control on the quality of life in their capital cities is negotiated with the interest of the global market and its competitive environment. These changing emphases of control had been heavily debated by sociologists such as Doreen Massey and Zygmunt Bauman who questioned the actual liberal values if the state’s investment in welfare and social projects or infrastructures is being questioned and negotiated by foreign investors (Bauman, 2000; Massey, 2005; Hall, Massey & Rustin, 2015). The existence of such parallel institutions has exerted forceful decisions that are not necessarily in the public interest.
The notion of new capital city involves a series of decisions that involve a fundamental displacement of power: the dichotomy of ‘establishing authority’ and ‘expressing fear’. Much of the urban history of the Arab cities owe much to the rise and fall of great capitals, imperial, provisional and national. For much of their history, Ancient cities such as Damascus, Baghdad, and Cairo have swapped their seats as provisional and imperial capitals. Their urbanism had developed as successive layers of evolution of power and urban strategies that were driven by individual interest and investments than of state’s vision or plan. Architecture, structures and urban projects and facilities (mosques, madrassa (school) and hospitals) were largely developed and funded through individual endowments of rich merchants. (Abdelmonem 2015)

To get a deep understanding of the evolution of capitalist urban form, frequency of change and emergence of new Capitals, the narratives of Egypt’s successive capital cities culminate into a gigantic urbanism of metropolitan Cairo. The city’s total area 453 km² and a history that stretches back to 30th Century BC have grown on the back of four other different capital cities, each of which was a fortress for ruling elites and distant from native settlements: Memphis (31-7th Century BC); Al-Fustat; Al-Qata’i and Al-Askar (6-10th Centuries AD), with Cairo as the uninterrupted capital city since 969 AD. Despite the existence of the rich and powerful Alexandria, Al-Fustat, was primarily constructed as a camp-town to exclusively host the Arab warriors. (Kubiak 1987) Al-Qahira (Cairo, in Arabic) was no different in being a Fatimid’s royal fortress with area about 1100 m X 1150m that was built on 969AD behind high walls fortifications, distant from all its previous and native settlements; access was exclusive to garrisons, high officials and royal elites. Over time and continuous power, Cairo attracted flow of wealth and trade, investments in rich architecture, religious complexes and markets, all built by private wealth. The city’s architecture was shaped by a series of iconic buildings, such as Bayt Al-Suhaimy, Bay Al-Razaz, Bayt Al-Qadi and many others of rich and noble residents (Abdelmonem 2015). Khedive Ismail (1830 to 1895) obsessed by western classic cultural and architecture, on the other hand, ordered the city to be preplanned to match 19th century’s European glamour. The city become a small clone of Paris based a Haussmann’s styled districts with wide boulevards and classic apartment buildings outside the medieval city.

Real estate developers invited European architects to develop neoclassical buildings and designed in the newly planned districts such as Garden city, Heliopolis and Maadi. Downtown had a Parisian flavor with English and French libraries, Swiss pastries, tea salons, social clubs, banks and a stock market, facilitated by the presence of 6000 foreigners in 1840AD, 68000 in 1870AD and reaching 111000 by 1897AD. Following the rise of Nasser’s socialist policies by 1950s&1960s, the erasure of privileged society and its capitalist architecture was a priority facilitated by the nationalization of foreign assets. The rise of neoliberal urbanism in Egypt, meanwhile, was envisioned at the turn of the 21st century with unprecedented rise in private developments inside the city and its peripheries, with high-class business and commercial towers, vertically dominating the Nile Cornish such as First Development in Giza, Four Seasons Hotels in Garden City and Nile Towers in Bulaq. On the city’s suburb, the NewCairo’s districts, with its commercial centres such as Cairo Festival City, Porto Cairo, and adjoining gated residential compounds sets the full-cycled siege of Neo-liberal urbanism in city. These narratives of emergence of new Capital cities, transformation and decline could be mirrored in Baghdad, Damascus and Beirut to a greater accuracy. However, the predominance of Neoliberal urbanism over urban scenes in the Middle East does not stop at developing new quarters or encircle old cities. The ambition plans of neoliberalism went far beyond recognized patterns to lead on new plans for the first purposely-designed and privately- owned ‘Capital City’ project in Egypt to the East of greater Cairo.

The discourse on Neoliberal urbanism must sit on such equally convincing arguments and force a balanced critical analysis to each situation. For example, in the Middle East, Neoliberal institutions of power in the Gulf Countries, such as the UAE, Saudi Arabia, Qatar and Kuwait, are in effect owned by members of the royal elites and operate according to the state guidance; i.e. Corporations operate through strategic partnership with the state. In more populous and less rich states, such as Egypt, Lebanon and Tunisia, large businesses used similar alliances with ruling elites and officials to secure expansive lands central to the nation’s economy, viability and economic future. Earliest models included El-Gouna and Sharm ElSheikh the Red Sea resorts in Egypt, Jumeirah Palm Island (Nakheel) in Dubai and Sa’adiyyad Island in Abu-Dhabi, all of which have been exclusively developed and are managed by private-sector investors. Through land appropriation laws Foreign corporations and international investment firms such as El-Dar, EMAAR, Orascom, Mubadala and Solidere are granted expansive lands in prime sites in Cairo, red sea cost, Dubai, Abu-Dhabi and Beirut, prompting evacuation of local residents and changing the demographic structure of the city.
Two particular examples are the Solidere developments of Downtown Beirut (Beirut’s Central District; BCD), and EMAAR’s Uptown Cairo in Egypt. Both projects are designed in a manner to exclude average-income citizens and pride themselves of their emphasis on glamorous lifestyle. Solidere’s BCD project forced new patterns of movement, activities, commercialization and high-class environments that look alien to the city’s existing fabric. Solidere is a unique form of private-public partnership company that runs with special regulations and enjoys special powers with the agreement of the government, to regulate, build, lead projects in the city following its devastating Civil War. They have become mediators of state’s power when it comes to urban development and execution plans. Similar to modernist projects of the mid-20th century, neoliberal developments are blueprint copies of their western counterparts such as the highly debated of London’s Canary Wharf and its impact on the city’s urban development. EMAAR’s Up-Town Cairo is, on the other hand, a prime site on the hilly mountain of Moqattam in the Heart of Cairo and opposite to the Citadel. The site had developed restrictions and was own by the Egyptian Military and national institutions. However, through special agreement with the government, it was sanctioned as private and high-end residential development as self-sufficient compound, with all restrictions lifted. Moreover, the government took an exceptional measures and allowed the foreign developers to built a private-access bridge to connect with the arterial thoroughfare 6th October Bridge, making it the first privately-owned and exclusively-accessed infrastructure in the city.

In the Middle East, there are two models of new capital cities in which the ideals of the neoliberalism are intact to reconfigure the urban structure, order and architecture of the Arab cities: new purpose-built capital cities, and the expansive urban expansions either on the peripheries. Dubai and Abu-Dhabi’s massive private developments that reach a magnitude of whole districts, or islands like Palm Jumeirah and Saddiyaat Island. Dubai’s urban growth has evolved on the back of successful neoliberal model of corporate leadership, whereby the economy is primarily led by privately-owned corporations such as Emirates Airline and Dubai Holdings and their franchises such as EMAAR and Nakheel. To overcome the restrictions of employment and immigration laws, Jebel Ali port and Free Zone was created to manipulate the state’s law and allow foreign companies to initiate, undertake business operations and import material and labor on temporary basis. Abu-Dhabi, by contrast, was cautious of liberal economy and relaying on its vast resources of oil revenues, until recently when several high profile developments such as Saadiyyat Island, Guggenheim Museums and Le Sorbonne-Abu-Dhabi campus were initially developed by state agencies, then acquired by private development companies. In both cases, the social structure of the city and its quality of life were largely designed for hybrid multi-ethnic majority of the society of higher income expat communities. The liveability of the city was experienced in the textbook neoliberal models of shopping malls, private beaches, hotels and leisure Centres.

Cairo’s Capital City Project: The abject illusion of Neoliberal cities

On 13th March 2015, Mostafa Madbouly, Egypt Minister of Housing, unveiled the government plan for an unnamed New Capital City during the Egypt Economic Development Conference in Sharm El-Skeikh. At 28 miles to the east of Greater Metropolitan Cairo, an area of 270 square miles and prospected population of 5 million, the new city would be the nation’s financial and administrative capital that houses a new Parliament complex, the Government’s departments and ministries, financial center and foreign embassies. Out of 46 districts, twenty-one are designed for residential purposes and twenty-five are dedicated to the administrative and financial zones with large number of high-rise business towers and landmark structures (Figure 4). The project is set to include large recreational spaces, a central park, artificial lakes, technology and Innovations Park, more than two thousand educational institutions, six hundred Hospitals and thousand mosques. A smart and green city, it will rely on environment-friendly electric railways, solar energy farms and a new international airport. According to the then Investment Minister, Ashraf Salaman, the was destined to be built entirely by private developer, Capital City Partners, to be fully functional by 2022 and with no cost to the Egyptian Treasury. The Capital City Partners led by the Emirati Businessman, Mohamed El-Abbar, subsequently withdraw from the project due to disagreement on the project financial policies and the refusal of national banks to grant cash without back-up guarantees.

The Capital City (http://thecapitalcairo.com) plan was highly controversial and contentious issue within Egyptian financial, political and urban development cycles due to its sudden emergence and huge resources it demands. Tipped by some scholars and rival politicians as a political ploy to serve President El-Sisi’s global profile, it was also claimed to inject confidence in a suffering economy, emphasize political stability, and deal with the “Cairo Problem” of congestion and overpopulation. Government officials, however, insisted that the total budge of over US$45billion is justified as to offer double benefit: relieve the congestion and pressure of
government institutions on Cairo, and allow new business corporations and international firms modern facilities close to the newly-widened Suez Canal. Whatever version we may believe, the new project means a fundamental shift of national priorities with financial resources and political support will be directed towards an enhanced image of the new city (Figure 5). More importantly, it demarcated a new level of capitalist urbanism in which Private Sector developers can for the first time build a ‘Capital City’; as unmistakable gesture of the new wave of neoliberal urban, political and financial power that sweep aside the state; the state will be its tenant. This highlighted the fundamental paradigm shift that is heading in the opposite direction of the mid 20th century’s nation-state sovereignty. National identity in that sense cannot escape corporate commercialization and profit-making strategies. (Harvey 2005, Sassen 2009) Released photographs were selected carefully to unleash hope of a promising future for the city with nothing in common with its old sister.

Fig.3 The Capital City Project

Fig.4 Emphasis on the links with Cairo and the High-rise central district.
(Source: http://thecapitalcairo.com)
Furthermore, Egypt record in developing fast-track satellite city around Cairo in unimpressive over the past five decades. David Sims (2010) and Gehan Selim (2012 &2015) highlighted inherited and largely ignorant top-down planning policies and practices in Egypt that caused accumulated problems than offered solutions. The cities of Sixth of October, Al-Obour, Madinat al-Sadat, the Tenth of Ramadan were built in an attempt to ‘reconstruct demographic map of Egypt’ attract growing population and disperse industrial and commercial activities outside Cairo. Planned in 1960s and built during 70s&80s, it took them until 2000s to stand serious chance of success. Based on historic evidence, it is safe to assert that it takes up to 40-50 years of continuous investments and substantial shift in socio-political demography for a new Capital City to stand any chance of success and to realize basic levels of liveability. According to neoliberal ideologies, this is not profit-generating project and such long-term gains are no good reward for corporate investments. The withdrawal of the foreign investor was inevitable and befitting with neoliberal urbanism that targets high and immediate return on low investments.

Conclusion

Similar to the released images of the proposed Capital City, European Quarters of Ismaili Cairo in 1870s-1890s were portrayed as elegant, progressive and advanced. Garden City was the Egyptian equivalent of European Aristocrats’ residences in the French and English Countryside (Volait, 2009; AlSayyad 2011 & Abdelmonem 2015). However, Only decades later, they were flooded by an influx of internal migration of middle-class officers and state employees occupants. Egypt’s Project of the Capital City resembles a new territory in socio-political applications of Neoliberal urbanism that moved beyond the exclusive living culture to the one that deals with the state as a sub-structure, a tenant and a shared partner. The project would most probably go down the history as an over-ambitious planning experiment that offers intriguing encounters of the hegemony of neoliberal urbanism and its peculiar capitalist architecture. In case of the unlikely success of the experiment, the new city will either evolve as a resort-like extravagant political and business hub where elitist culture and exclusive lifestyle is predominant, a forbidden city of sorts or it follows the normative course of its predecessors and attracts flow of middle class residents, trade, labor and disappear in the ever growing landscape. Both scenarios are no good news for those who look for neoliberal urbanism as a source of hope for better urban environment, market driven equality and social coherence.

But these concerns about neoliberal urbanism are not new. In fact much of urban developments in the region owe much to the capitalist investments into high architecture, public services and commercial markets over centuries. The limitation of neoliberal ideology could never been clearer than its visible forms of gated communities and wealthy urban quarters that cause not only division in the urban landscape and social structure, but increase the vulnerability of the city to sustain its functions. In general, cities must suffer full cycle of flourish, struggle and desperation and the neoliberal city is no different. If we are to understand the urban phenomenon of new capital cities, we must realise the full cycle of its inherent integration in its context and its needs to hierarchical levels of services, labor and flow of people and goods. Cities evolve around needs and interconnected supply of capital, opportunities and social coherence. NeoCapital of the NeoLiberal urbanism is simply unachievable dream and hardly last few decades, before the necessary flow of capital balances itself across the city and its supply chain. Capital is like water that must move through the sieves of urban fabric to feed into hotspots of needs and demands interruption of this flow demand high levels of unsustainable security, costly infrastructure and network of supply, that make the city more vulnerable to self-sustain its needs to flourish at difficult times.

References


JONES, I., 2008, “Cities and Museums about them”. In Jones, I. Mcdonald, R.R. & McIntyre, D. City Museums and City Development”. Plymouth: AltaMira Press, pp.1-15


