The Dubai Initiative برنامج دبي

Working Paper

The Blueprint: A History of Dubai's Spatial Development Through Oil Discovery

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BELFER CENTER for Science and International Affairs • HARVARD Kennedy School

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Dubai's original settlements, featuring the creek, Deira to left, Al Shindagah below, and Bur Dubai above.¹

To understand Dubai's modern history since its founding in 1833, one must go further back in time to explore the regional history that frames its foundation. European powers, beginning with the Venetians, and, then subsequently, the Portuguese, the Dutch, and finally the British, were interested in the Gulf region as a means to secure trade routes to and from the Indian Subcontinent and points eastward. This meant that from the fifteenth century through the late nineteenth century, if trade routes could move uninterrupted through the Gulf region, European powers were not involved in the societal affairs of settlements as a traditionally colonial ruling class, nor did European merchants bother to extensively explore trade within the region, believing that it required more effort than either the climate or the local economies were worth.² The region's local tribes were divided among the maritime coastal groups and those that were nomadic and land-bound, and conflict among these groups occurred in parallel with the larger European conflicts also playing out in the region. The intersection of the two came with the increase in piracy, which, in very basic terms, represented a kind of cultural disagreement on trade customs. The Europeans felt that they were unjustly looted and local groups simply sought to protect themselves from foreign incursion while taking what they believed was their share. Historians still debate this issue today, but in relation to Dubai, the piracy of the times serves as an example of how looser understandings of the licit and illicit, particularly in terms of trade, could be capitalized upon as

¹ Reproduced with permission of Dubai G.I.S. department in the Dubai Municipality.

² Owen, 2008.

Once oil was discovered in Persia and Saudi Arabia at the beginning of the twentieth century, British firms entered the region more actively. a business venture. The smuggling of gold, weapons, and other goods throughout Dubai's history may have been seen as illicit from perspectives outside Dubai's ports, but the merchant-friendly environments of these ports and the adherence to local autonomy allowed them to trade freely.

British incursions into regional affairs increased as the pearl trade sector grew and, once oil was discovered in Persia and Saudi Arabia at the beginning of the twentieth century, British firms entered the region more actively. Inspired by oil profits and the gold trade after 1947, the British government and firms behaved more paternalistically, and established a more direct protectorate relationship with regional sheikhdoms, including Dubai. The interrelation of the British presence, resource exploration and wealth, and local aspirations for development define this period, which culminates in oil discovery in Dubai in 1966. The emphasis on infrastructural projects in Dubai marked its development pattern throughout this period, which would then serve as a blueprint for projects in its post-oil discovery phase.

In this paper, I will trace the regional history of the Gulf, along with the presence of a continuum of European powers, and then focus more closely on Dubai's relationship with the British and how this both influenced and determined the emerging sheikdom's urban development through oil discovery.

Geographical History of the Gulf Region

Dubai is an emirate within the greater United Arab Emirates (UAE), located in the eastern part of the Arabian Peninsula. The UAE is comprised of seven emirates (Abu Dhabi, Dubai, Sharjah, Ras al-Khaima, Fujairah, Umm al-Qaiwain, and Ajman), and of the total UAE land area of 83,600 square kilometers (32,270 square miles), Dubai occupies 4,114 square kilometers (1,588 square miles), and is second in size after the significantly larger Abu Dhabi.³ This land, in section, falls into four geographic categories; coast and coastal plain, interior desert, an upland plain, and interior rugged mountains.⁴ Traditionally, this geographic diversity has marked two distinct cultures: coastal settlements dedicated to trade, fishing and pearling and other socio-economic activities oriented toward the sea, and interior settlements and nomadic Bedouin communities based on agriculture and animal husbandry. In her work on the geographic and economic conditions of the lower Gulf region before oil was discovered, Dr. Frauke Heard-Bey points out that tribes of the region included many subsections that were individually sea-oriented or nomadic, but intermingled with one another in tribal confederation as the basis for "the creation of a nation-state within a large and geographically very varied territory."5 This intermingling included marriage within the different sections and intensive trade based on seasonal pearl and date harvests. I will look further at the subsections of the regions below, but it is important to recognize that these two forms of economic cultures within the territory, within larger tribes, were often collaborative and, taking into account the region's resource scarcity, both in terms

of limited arable land and seasonal fishing possibilities, this mutual interaction and dependence was a pragmatic survival mechanism.

³ Kassar, 2007. Land reclamation projects in Dubai and throughout the UAE will expand this total land area significantly, but this is the latest published data.

⁴ Peck, 1986, p. 6.

⁵ Heard-Bey, 1982, p.34.

Though the UAE was only formed officially in 1971, the history of the region is rich, wherein recent discoveries are only now beginning to fill in wide gaps in the knowledge of this past. For Dubai in particular, in 1981 Iraqi scholars discovered evidence of a trading center there from 3,000 years ago, which is unsurprising, both in light of its geographic location and its subsequent maritime trade history.⁶ As pointed out by Geoffrey R. King, the voids in the historical knowledge of the region appear mainly between the arrival of Islam, the Prophet Muhammad and the first caliphs in the seventh century, and the encounter with the Portuguese in the late fifteenth and early sixteenth centuries. Despite historical accounts that seem limited to speculation on changing landscapes of local tribe settlement and power struggles, the coastal trading settlements of Julfar (present Ras al-Khaimah) and Dibba (present Fujairah and Sharjah) are mentioned in Arab accounts of this period and archeologists believe that the Al-Jumayra settlement, just west of Dubai (and now the name a Dubai neighborhood), was settled in the ninth century.⁷

Venetian trade within the larger Middle Eastern region, particularly in Damascus, Aleppo, and Alexandria is recorded in the fifteenth century with some evidence of contact with the Gulf for pearl trading.⁸ But it was the Portuguese who were the European power able to take control of the Gulf through the maritime dominance of their powerful men-of-war fleet in the sixteenth century. Rather than colonial imposition or re-settlement of the area, their principal objective was to control spice trade routes from the Indian Subcontinent to Europe. The sea route around the Cape of Good Hope, which they had discovered, helped the Portuguese to access the Indian Ocean and, by taking over the Island of Hormuz in the Straits of Hormuz, the Portuguese could strategically control trade routes throughout the region. As a precursor to the later British experience, the Portuguese signed a treaty with the Sheikh of Hormuz to pacify local opposition to their occupancy in exchange for Portuguese support for the Sheikh in controlling local matters.⁹ The maritime focus of the Portuguese period in the Gulf meant that local institutions remained essentially unchanged throughout the sixteenth century.¹⁰

The decline of Portuguese power in the Gulf came with the aid of both the Dutch and the British, though each would eventually enjoy power in the region at different moments. Each country established East Indies companies in the early seventeenth century, and in line with these trade pursuits, the British and Dutch helped the Persians recapture the Island of Hormuz from the Portuguese in 1622.¹¹ As was often the case in European political intrigue and shifting allegiances, the British and Dutch allied to defeat the Portuguese fleet in the Indian Ocean, only to then fight each other for power over regional trade supremacy. A British-Dutch war in the mid-seventeenth century extended to the Gulf region, causing damage and losses for the British fleet.¹² Though the Dutch achieved power over trade routes during the seventeenth century, their power slowly waned both in Europe and then internationally, ending symbolically when they abandoned Bandar Abbas and Kharg Island in 1765.¹³

⁶ Peck, 1986, p. 24.

⁷ King, 1997, p.76, Wilson, 2006, p. 22.

⁸ Nyrop, 1977, p. 21.

⁹ Nyrop, 1977, p.22.

¹⁰ Peck, 1986, p. 27.

¹¹ Ibid.

¹² Nyrop, 1977, p.23.

¹³ Ibid.

The British commercial interests in the region increased, particularly in India and along their East Indies Company trade routes. But with the fall of Dutch power, the rise of what was called "piracy"-Omani, and later Qawasim attacks on trade ships-created instability for the Gulf. Omani "piracy," or local Gulf maritime power, held sway through the first half of the eighteenth century, but a civil war between the Hinawi and the Ghafiri factions weakened Omani power, and the Qawasim were the principal group attacking British trade ships, particularly in the lower Gulf area. The Qawasim origins are debated, but it is believed that they were the Hawala who came from central Arabia in the seventh century and migrated to lower Persia.¹⁴ Eventually crossing the Gulf to Oman through maritime battle and by taking advantage of Omani internal power struggles, the Qawasim took control of the area between present-day Ras al-Khaimah down to Sharjah. Inspired by both strategic and religious interests, the Qawasim allied with the Wahhabis and intensified their sea attacks. The British and the British-Indian fleets allied with the Omanis in retaliation against the Qawasim, but their joint expeditions between 1808 and 1819 were unsuccessful. It was not until November 1819, when a group of 3,000 British and Indian forces attacked the Qawasim naval base at Ras al-Khaimah, were the British able to assume control of the region, and a mixture of treaties, truces, indirect rule, and canon diplomacy would maintain this rule until their departure from the region 150 years later. In his book on the form of British rule within what he terms "the Arabian frontier of the British Raj" in the nineteenth and twentieth centuries, James Onley describes this policy of informal or indirect rule decided according to their strategic economic interests in the region, based on the principle of 'informal control if possible, formal control when necessary.' As he states:

The method of control the British adopted was largely determined by the success they had in attracting local collaborators and mediators. The greater their success, the more indirect their control. Therefore it is the Empire and its periphery, rather than the imperial capital of London, that holds the key to understanding both the timing and the nature of (British) imperialism.¹⁵

The particular "local collaborators" were tribal families that signed Trucial protectorate agreements that, at least through oil exploration, enabled a more distant and preferred British participation, within the regional southern Gulf periphery around the central British interests in India.

In January 1820, the British marked the defeat of the Qawasim with the signing of the General Treaty of Peace with the regional sheikhs of Bahrain and what was then northern Oman (which included present-day UAE), where all agreed to end "piracy" attacks both among each other and on British trade ships. This treaty would commit Britain to maintain and enforce this peace, mostly in the interest of their trade pursuits. The "Trucial System" was coined officially in 1835 when the British declared a truce between the Bani Yas tribe from the lower Shakhbut area (present-day Abu Dhabi) and the Qawasim, as a means to secure a peaceful pearling season for merchants of the lower Gulf. This truce was signed again by all factions in the Ten Year Maritime Truce of 1843, and then finally ratified into perpetuity (over the next century) through the Perpetual Treaty of Truce in 1853, which stipulated for the British government to "watch over and protect"

¹⁴ Peck, 1986, p.29.

¹⁵ Onley, 2007, p.30.

the southern Gulf region "for evermore."¹⁶ The Treaty also renamed the region as Trucial Oman, or the Trucial States, which was of course, better than the region's previous British title, the "Pirate Coast."

Malcolm Peck points out that the British agreed to back regional sheikhs in power militarily at that particular moment in exchange for a guarantee of peace, most importantly for their trade routes through to India, but also for the pearling sector of the lower Gulf.

By freezing the power relationships that existed between tribes or tribal confederations, thereby preserving a number of small states that otherwise would probably have been swallowed by larger neighbors. Eventually the British role in the affairs of the Trucial States would carry their evolution toward western-style statehood a step further by defining territorial boundaries.¹⁷

With a few strokes, a mix of British magnanimousness and clear economic self-interest established a static territorial, political, and social structure for the Trucial States, which were previously characterized by far more fluid inter-tribal power relationships. The British officially installed a Political Resident in Bushire (Persia), which had already served as a diplomatic base since 1778,¹⁸ and in Sharjah in 1823 to "meet the treaty commitments."¹⁹ The treaties established a precedent for an increasingly paternalistic British intervention into the inter-tribal affairs of the lower Gulf as both mediator and military enforcer, wherein British colonial obligations were not as specifically defined as in other areas of the Empire. These treaties brought the region into the sphere of British colonial administration at a point when many in London believed that the region was not worth what it would cost to oversee. The resulting "cut-price' imperial system of indirect control required local rulers to sign anti-piracy peace treaties and to accept the authority of small British residencies" in exchange for British Trucial protection.²⁰ The military backing of local sheikhs in exchange for peace for British maritime routes was a low price for Britain to pay for hegemonic and exclusive control of the lower Gulf, particularly with regard to other competing European powers, along with Russia and the United States.

The Bani Yas and the Qawasim were rival tribes in the late eighteenth and early nineteenth century. Because the British treaties focused specifically on maritime truce, the Bani Yas (not coincidentally given the British predisposition against the "pirating" Qawasim) were benefited due to their land-based power, in contrast to the Qawasim sea prowess. Though the treaties sought to end the warring factions of the region, the Qawasim and Bani Yas would continue their inter-tribal battling until the end of the nineteenth century. The Bani Yas were originally from the Najd region, and were comprised of many sections, both seafaring and Bedouin.²¹ During this time, the Bani Yas controlled Shakhbut and areas south, and in addition to fighting the Qawasim, they were also battling against the Wahhabi, which resulted in a strained tribal power structure at its base in Shakhbut. In 1833, 800 members of the Al Bu Falasa subsection of the Bani Yas left to settle in a point between

[T]he British agreed to back regional sheikhs... in exchange for a guarantee of peace, most importantly for their trade routes through to India...

¹⁶ Heard-Bey, 1982, p. 164.

¹⁷ Peck, 1986, p.32.

¹⁸ See Onley, 2007 for more detailed explanation of British political structure within the region.

¹⁹ Nyrop, 1977, p.24. Hamza, 1968.

²⁰ Davidson, 2008, p. 17.

²¹ Heard-Bey enumerates the many Bani Yas subsections, which along with the Al Bu Falasa, Al Bu Mahair, the Rumai that, the Qubaisat, the Mazari, the Hawamil, the Maharibah, the Al Mishaghin, and the Sudan. In addition to the Bani Yas tribe, she also enumerates the subsections of the Manasir and Dhawahir tribes, who were less numerous than the dominant Bani Yas in the region. For a more elaborate discussion, see Heard-Bey, 1982 chapter two.

Sharjah and Shakhbut led by Maktoum bin Buti and Ubaid bin Said Al-Falasi. By the late 1820s, the British Political Resident had already reported that the creek of Dubai had approximately 1,200 residents, so the new arrivals nearly doubled the population, and this is generally recognized as the official foundation of Dubai.²² Al-Falasi died soon after in 1836, thus consolidating dynastic rule of the Maktoum family with the official recognition and security of the 1835 British treaty. The Maktoum dynasty has been the ruling family in Dubai ever since.

Dubai of the Nineteenth Century

The Al-Maktoum dynasty was established in Dubai in 1836, with the associate monarchical intrigues of loyalty, lineage and succession. In spite of the overarching Trucial treaties, which focused principally on the sea peace, Dubai's tenuous status between the Qawasim and the Bani Yas required a mix of political cunning and natural luck to keep each group at bay from overtaking the fledging Dubai. Similar to the larger political intrigues of the previous centuries among the Portuguese, Dutch and British, the three factions frequently shifted allegiances for their own benefit. By 1840, the Qawasim and Bani Yas resolved some of their larger conflicts and sought to overthrow the Maktoum in Dubai, agreeing to split it along its creek line, with Bur Dubai on the western side to go to the Bani Yas and Deira for the Qawasim.²³ An outbreak of smallpox in Dubai made this acquisition less appealing and Sheikh Maktoum bin Buti was also able to counter-strategize against the two to divert their attacks. This kind of plotting would occur continuously, albeit mostly under the somewhat myopic radar of the Trucial agreements, but as the century wore on, Dubai's condition as a buffer zone between the two tribes was generally accepted as beneficial to all in its existence. The division certainly helped the British solidify control of the region, and the 1853 Perpetual Treaty and its ratification sought again to freeze a regional power structure toward British benefit.

The second half of the nineteenth century proved to be more prosperous for the lower Gulf region, particularly for the pearling sector run by the merchants. The maritime truce offered a calmer environment for pearling, and the increased business demonstrated how the sector benefited from this. Between the 1870s and the late 1890s, pearl exports from Dubai grew ten-fold,²⁴ and the harvests drew regional attention that boosted immigration to Dubai, particularly among Persians and *Banians*, British Indian Hindu merchants.²⁵ Dubai merchants were well-integrated into the distribution patterns of the lower Gulf, and operated principally out of the Persian Lingah port, which was a key hub for British trade between India, Persia, and Europe. Because banking was considered to be against the Muslim law, it was the Banians, with the support of Bombay banks, who took up the banking sector in Dubai and funded the yearly pearling expeditions. The Persian community was involved mainly in retail and food trade, and the Arab bourgeoisie focused mainly on pearling and trading.²⁶ The 40 shops and 100 traders in the *souq* recognized by Sheikh Maktoum in the 1840s grew steadily,²⁷ and by the end of the

²² Davidson, 2008, p. 12-13. Wilson, 2006, p.29.

²³ Davidson, 2008, p. 15.

²⁴ Davidson, 2008, p. 22-23. Gabriel, 1987, p.139. Lorimer, 1970.

²⁵ Onley, 2007, p. xviii.

²⁶ Al-Sayegh, 1998, p.88.

²⁷ Davidson, 2008, p.68.

century, Dubai claimed the highest number of men employed in the pearling sector in the region (6,936), 335 pearling ships, and was clearly becoming the economic and commercial center of the Trucial States.²⁸

While successful pearling expeditions intensified trade for Dubai, during the latter part of the nineteenth century it was still the Persian port of Lingah on the other side of the Gulf that served as the principal distribution center for Indian goods for the region. Lingah's hub status was established since the eighteenth century and continued throughout the nineteenth century, which attracted many Indian traders to settle in Lingah and mix in with the Persian trade community. Over time, Dubai traders also mixed with this trading group, and from 1873 through 1902 they controlled distribution trade from Lingah to the Trucial Coast.²⁹ At the turn of the century, however, Lingah's fate would suffer drastically due to the imposition of Tehran's restrictive Imperial Customs tariffs and controls for re-exported goods, which reached up to 400 percent on some goods, particularly for Arab traders.³⁰ In 1904, in what would prove to be a regional coup, the ruler of Dubai, Maktoum bin Hashar, at the majlis, declared the Dubai port to be tax-free and control-free by removing the already low 5 percent customs fees, and this quickly attracted re-export activities from Lingah across the Gulf to the Dubai Port.³¹ All commerce between Great Britain and India would then pass through Dubai, such that by 1905, some 34 steamers were calling regularly, raising the annual volume of cargo to 70,000 tons. The prominent British India Steam Navigation Company essentially shifted its distribution center, firmly establishing Dubai's vocation as a strategic *entrepôt* for British imperial trade routes. As a result, the merchant class greatly benefited from the rapid increase in trade throughput, and large sectors of the Lingah Persian and Indian trading communities migrated to Dubai along with the trade route business.

Maktoum bin Hashar's free port policy announcement at the *majlis* was not coincidental, as it was this council that was chaired by the leaders of the merchant community. Fatmah Al-Sayegh's research explores the relationship between the Dubai merchant class and the ruler throughout the twentieth century, and underscores the importance of this sometimes delicate relationship in understanding the development projects of the emirate. The free port policy attracted a larger merchant community from Lingah, which meant that this tacit balance of power needed to be cared for all the more prudently. Al-Sayegh describes this understanding between ruler and merchant class at the beginning of the twentieth century as such:

Since the ruler's income was not as high as that of the pearl merchants, and sometimes fluctuated with the market, the ruler often turned to the merchant for financial assistance, a fact which increased his dependency on them. This caused a unique situation where in fact the merchants were often in a position to dictate their wishes. The ruler was fully aware of this fact, and in return for merchants' financial contributions he appointed them to his Majlis, or advisory board.³²

The *majlis* then served as a kind of pre-municipal group, led by the ruler, wherein merchants' financial power gave them significant sway over governing issues. The merchant leaders promoted certain civic initiatives through philanthropic projects for several schools and a hospital, which established a precedent both

In 1904, in what would prove to be a regional coup, the ruler of Dubai, Maktoum bin Hashar, at the majlis, declared the Dubai port to be tax-free and control-free.

²⁸ Al-Sayegh, 1998, p.89.

²⁹ Al-Saleh, 1998, p.89.

³⁰ Ibid.

³¹ Gabriel, 1987, p. 71.

³² Al-Sayegh, 1998, p.90.

for specific concern for these kinds of foundational infrastructures, and to a more general degree, a blurring of public and private spheres within the ruling system.

Urban Morphology at the Beginning of the Twentieth Century

While the port was taking on increased international trade functions, at the turn of the century Dubai was still a town of 10,000 people, of which almost 7,000 were involved in the pearling sector. The urban layout included three areas located around the mouth of the Creek: Deira, consisting of 1,600 houses and 350 *souq* shops for the Arab merchant community, Al Shindagah, a residence of the ruling family that included 250 houses, and Bur Dubai, the smallest of the settlement areas with 200 houses and 50 *souq* shops, mostly populated by Persian and Indian merchants.³³ Spatially, the town was perhaps more divided than the blurred public and private functions mentioned above, with the ruler's fortress located in Al Shindagah, across the creek from the merchant area of Deira. Oddly, the Bur Dubai area was perhaps the lesser important of three areas in terms of Dubai's political economy, but it housed the cemetery, which holds symbolic importance for many urban cultures.³⁴

It is important also to underscore the morphological precedent of this outlay in order to better understand subsequent urban development. First, the simultaneous separation and agglomeration of the three settlements around the water element of the creek required a transportation mechanism (dhow river transport, later enhanced through bridge and tunnel construction) in order to communicate each area. While the silt accumulation allowed residents to cross the creek during seasonal low tides, the creek generally required a form of transportation to cross. Furthermore, the creek served as *center*, because it was the essential entry and exit point for the pearling economy, and because it was the element that joined the three separate settlements. Second, the spatial separation of function, maintaining the Al Shindagah area dedicated to the ruler and his family, and the Deira area for the merchant class, along with Bur Dubai, though to a lesser extent. While this would eventually change, with a mixing of spatial functions among the three settlements and beyond, the initial urban layout served as a blueprint for later modern and modernization projects that spatially isolated districts for specific functions, and equally importantly, while always subordinate to the final power of the ruler, different areas of the burgeoning town could be understood as overseen and associated with certain communities in addition to the ruler. Finally, and related to each of the previous points, Dubai was a megalopolitan urban structure. By this I mean that while the creek must be understood as a central urban element and a structuring mechanism for urban articulation and development, these three settlements were also separated by the creek, and each settlement required a transportation armature for functional coherence.35 Thus, the fluid nature of the creek as center was essentially centrifugal, such that as development moved beyond the walled areas of the city with infrastructural developments during the latter part of the twentieth century, Dubai's polycentric character, and its ability to have a moving or shifting center hierarchy, was established within Dubai's initial settlement pattern.

³³ Heard-Bey, 1982, p. 242.

³⁴ Mumford, 1961. See discussion of the "necropolis" on p. 7.

³⁵ Gottman, 1961, introduces the concept of the "megalopolis," and Pope, 2008, describes Dubai's contemporary form as "megalopolitan."

The Dubai Reform Movement

While World War I had little impact on Dubai, it was the period between the wars that would greatly alter Dubai's economic structure. The worldwide crisis precipitated by financial events in October 1929 would devastate international markets, and Dubai was hit heavily, essentially ending the pearling sector and the associate ancillary activities. As early as July 1929 there were already signs of pearling fleets that could not go out because of lack of financing, and by 1933, the international price for pearls had dropped by 20 percent.³⁶ Once the crisis hit, sectors of the merchant class felt part of the blame should be directed toward Britain. The British treaties had prevented other countries from investing in the local pearling industry, and merchant leaders felt that this had denied them access to improved technology for more competitive and efficient pearling.³⁷ Indeed, Britain sought to prevent international interlopers into their Gulf "lake," but also consciously wanted to block excessive economic success for the Gulf, particularly in a sector that they did not benefit from directly. The Banians, who were hit particularly hard by the crisis as the principal financiers, requested that Britain intervene to pursue their debtors, but these pleas went unanswered.³⁸ The introduction of the cultured pearl by the Japanese would also bring international prices down for pearls, and mark the end of this long pearling history in the lower Gulf which had lasted thousands of years.

The end of the pearling industry also interrupted the tacit governing agreement between the ruler and the merchant class in Dubai. This occurred for two reasons. First, while sectors of the merchant class and the *majlis* were involved in port and regional distribution activities, most of the merchant class wealth was based on profits from pearling. Once this ended, they no longer controlled Dubai's purse strings, and thus, there was a shift in the balance of power established during the pearling era to the benefit of the ruler. Second, this shift also occurred because of concessions for oil exploration and air use. In 1939, the British Political Resident for the lower Gulf remarked, "...a key reason for the goodwill between the British and the rulers was that negotiations over air and oil gave the rulers a square deal which carried a money bag rather than a big stick."³⁹ British oil exploration throughout the Gulf region dated back to the turn of the century, as I will explore in greater detail later, but similar preventative strategies that inspired the 1892 Gulf treaties to keep Russia and other European countries away from Gulf resources also drove the British to establish oil exploration concession agreements with countries in the region. In 1935, the London-based Anglo-Iraqi Petroleum Company (later renamed Petroleum Development (Trucial States)) formed a subsidiary company called Petroleum Concessions Ltd., which was responsible for signing exclusive oil exploration concession agreements in the lower Gulf.⁴⁰ In 1937, Dubai's ruler Sheikh Said Al-Maktoum signed a twenty-five-year oil concession agreement with Petroleum Concessions Ltd., wherein the ruler received 60,000 rupees at signing, an annual income of 300,000 rupees, with an additional 200,000 rupees if oil were discovered, and an export price of 3 rupees per barrel.⁴¹

The end of the pearling industry also interrupted the tacit governing agreement between the ruler and the merchant class in Dubai.

³⁶ Al-Sayegh, 1998, p.94.

³⁷ Davidson, 2008, Chapter 2.

³⁸ Ibid.

³⁹ Davidson, 2008, p. 24.

⁴⁰ Peck, 1986, p.37.

⁴¹ Davidson, 2008, p. 27.

In addition, the British sought exclusive air rights in the region for their Imperial Airways line to be able to land and refuel for flights from Basra to Bombay and Cairo to Karachi. Again, these concessions were signed directly with the rulers, beginning in the early 1930s with Ras-al Khaimah and Sharjah, and then again in 1937, with Sheikh Said in Dubai. While it was initially believed that there was no appropriate land site for an airstrip, the agreement took advantage of the linear form of the Dubai creek as a landing site for water planes. Sheikh Said received 5,000 rupees in the first year of this agreement, and it is believed that in order to secure this agreement, he would buy up all empty seats on planes that were not full when leaving Dubai to retain Imperial Airways patronage.⁴²

With direct passive revenue streams coming from air and oil concessions, Sheikh Said assumed a much stronger position vis-à-vis the *majlis* and the merchant class, placing him in a position of greater financial power after having to depend on pearling merchants for an income. Other Gulf countries that also depended on pearling faced similar shifts in the ruler/*majlis* power shares, which precipitated a wave of reform movements in the region, particularly in Kuwait and Bahrain. Clearly these movements were the result of disgruntled merchants that had previously controlled local affairs, who, with the end of the pearling industry, lost much of their wealth, but perhaps even more importantly, much of their power and status. Merchant leaders in Dubai emboldened by the success of the reform movement in Kuwait and Bahrain sought similar reforms.

In October 1938, four hundred merchants from various families, including the ruler's, tried to impose a set of political and economic reforms on Sheikh Said. The reforms included a new fifteen-member consultative mailis, of which the ruler would be president, whose main functions would be to administer the public coffer consisting of 85 percent of the concession revenues. Importantly, the reforms also included a list of infrastructure investments, such as the dredging and widening of the creek to help boost trade throughput and increase economic activity for the merchants, still reeling from the end of pearl trade, particularly to create advantage over the competing port of Sharjah, which also silted heavily. While comprised of disgruntled, status-stripped merchant leaders, the democratic aims of the reforms strove to extend the political and economic decisions of Dubai beyond simply those of the ruler. The reform movement enjoyed some initial success, but Sheikh Said, with the continued support of the British, along with Bedouin tribes on the outskirts of Dubai, was able to regain power. While the power had shifted locally in Dubai because of the end of pearling, the power agreement between the British and the regional rulers, and Sheikh Said in particular, had not changed. And the British, at least at this point, preferred to continue to conduct their business with one person and not a potentially quarrelsome, elected majlis. A combination of gun-boat diplomacy (several ships from the Royal Navy were stationed within sight of Deira), several low-flying Royal Air Force planes, and the kind of Al-Maktoum cunning that had kept usurpers at bay for over a century, helped Sheikh Said to regain power.

On March 29, 1939, through what appeared to be a peace offering, Prince Rashid, son of Sheikh Said, was to marry the daughter of a prominent merchant class family involved in the reform movement. Since the October initiative, the Deira side of the creek, controlled by the merchants, had been guarded against any kind of retaliation from the ruler. After some months, this guard seemed un-

42 Davidson, 2008, p.25-6.

[T]he democratic aims of the reforms strove to extend the political and economic decisions of Dubai beyond simply those of the ruler.

necessary for the event of the March wedding. On the day of the wedding, however, Bedouin troops crossed the creek and declared that Dubai was once again unified.⁴³ Instead of the consultative *majlis* that the reform movement demanded, a *Majlis al-tujjar* was established, which would continue to include some selected merchant leaders, but only at the ruler's discretion. From this point forward, Prince Rashid took over the affairs of Dubai in the name of his father, though Sheikh Said would live on until 1958. Rashid was more sympathetic with the merchants' plight, and upon taking power officially, he would proceed to implement many of the infrastructural projects that the reform movement petitioned. Once Sheikh, Rashid would also establish a municipal council that would open some of the technocratic municipal decision-making processes. The important difference, however, is that the merchant class could not force his hand into these projects, and he made sure that the projects were cleared and coordinated with the British political agents. The reform movement marks the beginning of the era of Prince, and subsequently Sheikh, Rashid, as a kind of trial by fire in political intrigue. His marriage into the reformist merchant family, and the intelligence to understand the logic in some of the requests of the reform movement, particular as a means to further Dubai's development, helped form a more cooperative collaboration with the merchant community. Nevertheless, the outcome of the reform movement, the counter-reform if you will, signified that an unclear distinction between overall development objectives and those of individual merchant interests could continue to exist comfortably, with the very clear understanding that each was ultimately subordinate to the Al-Maktoum ruler and his British backing. The outcome also demonstrated that the infrastructural reforms to promote economic concerns for the merchant class were attended to (albeit not until the 1950s), but the political reforms calling for democratization were ignored, which again, would serve as a kind of modus operandi for what could and could not change within the regime, essentially until today.

Oil Exploration and Increased British Paternalism

The end of World War II marked the beginning of the Cold War, and soon after, Indian independence in 1947 ended the British colonial project in the Subcontinent. However, the British Raj remained in the Gulf region for twenty more years for various reasons: first, the oil interests pursued since the beginning of the twentieth century; second, cold war motives to keep Russian influence in the resource-rich region at bay; and finally, the remaining hubris of Empire, and an inertia that saw no reason to abandon a situation of good relations with the rulers of the region.⁴⁴ J.P. Bannerman suggests that before oil explorations, the political unit in the Trucial States was understood as "people-centered," based on personal agreements, and not territorially defined with specificity.⁴⁵ Once oil exploration concessions were established with the British, however, territorial domain took on a much greater significance for Gulf rulers. We've already seen how this impacted local ruling dynamics, but at the same time, when oil concessions were signed with both Dubai and Abu Dhabi in the late 1930s, an initial disagreement on territorial boundaries was sparked. Though World War II temporarily halted explorations,

⁴³ Davidson, 2008, p.34.

⁴⁴ Peck, 1986, p.40.

⁴⁵ Bannerman, 1986, p. 76-77.

they resumed in 1945, as did the border dispute, which flared in 1948 when a Dubai raiding group killed fifty-two Manasir allies of Abu Dhabi in a border battle.⁴⁶ British political intervention helped resolve the conflict by drawing up territorial boundaries from the coast to the interior that both Abu Dhabi and Dubai agreed to, but the border would remain a point of contention between Dubai and Abu Dhabi through the Emirates' formation in 1971. Clearly, the British understanding with Trucial rulers could be used to back those rulers against reformist merchants and to pit the rulers against one another, again with British paternalist intervention as the final word on matters.

As oil exploration resumed after World War II, British institutions moved to Dubai to establish a presence in the growing town. In 1947 a British political resident was set up in Dubai, and in the previous year the British Imperial Bank of Iran (which would change its name to British Bank of the Middle East-BBMEin 1952) signed an agreement with Dubai to set up an office there that would enjoy a banking monopoly until 1963. While profits for BBME were initially more modest in Dubai compared with other Gulf branches in Kuwait and Bahrain, the bank enjoyed good relations with Prince Rashid, and this would eventually pay off well for them. Beginning in the early 1950s, gold became the new resource to replace pearls in Dubai. While Kuwait had previously been the principal exporter of gold to India, their discovery and subsequent concentration on oil in 1950, along with Dubai's economic growth and geographic proximity to India, attracted gold trade flows southward.⁴⁷ After India's independence was declared, the sale of gold was officially outlawed for Indian merchants. For the merchants of Dubai, who were forced to find other sectors for business opportunities (both legal and illicit) after the pearl decline, a market for the covert sale of gold to Indian merchants through *dhow* trade began. Thus, all international gold trade with India (including Britain's and Switzerland's) would pass first through Dubai, where its *dhow* traders would then transship the gold for the final trek to meet with Indian traders off their coasts. The BBME in Dubai would offer "free dollars" for gold trade, even though Dubai was still part of the sterling region, and in this way, a curious three-way exchange for currency and bullion traders emerged that generated profits of 300 percent or more. The BBME, of course, also profited handsomely. With the same vision and flexibility demonstrated in competition with Persia, Dubai, again, utilized a lax regulatory system and a willingness to encourage business to solidify its economic geographic position.48

Dubai Urban Infrastructure

The historical relationship between Dubai and the British government, and their associate interests in promoting British banking through institutions like the BBME — as well as British consulting groups, as we shall see — cannot be overemphasized as part and parcel of the modernization project of the emirate. Geof frey Jones's history of the BBME underscores the kind of unorthodox relationship established between the Bank and Sheikh Rashid:

As in Kuwait, BBME had a monopoly of banking in Dubai after opening in 1946. In Dubai, as elsewhere, the responsibilities of monopoly encouraged BBME

[A] curious three-way exchange for currency and bullion traders emerged that generated profits of 300 percent or more.

⁴⁶ Peck, 1986, p.41.

⁴⁷ Green, 1973.

⁴⁸ Gabriel, 1987, p.142. Green, 1973.

to undertake functions beyond the scope of a normal commercial bank...Moreover, from the late 1950s BBME played an important part in the Ruler's plans to modernize Dubai.⁴⁹

Since proposed in the majlis reform movement of the late 1930s, the dredging and widening of the creek was understood as Dubai's most imperative infrastructural project to help increase throughput of traffic, as well as accommodate the landing of heavier equipment necessary for oil exploration. In 1954, using contacts both through the political agencies of the British Raj along with those of the BBME, Prince Rashid called upon Neville Allen, an engineer for the British Sir William Halcrow firm who was working on hydrographic surveys for the development of the Shuwaikh Port in Kuwait, to carry out similar surveys for the creek for its eventual dredging scheme. Allen's survey determined that the cost for dredging would be £388,000, and in 1955 Prince Rashid and the British political agent approached BBME to try to secure a loan for the project. The Bank would not agree to the loan without the British government's guarantee that it would pay in case of default, which was not immediately forthcoming. An alternative route through this same network helped to secure a £400,000 loan from the Ruler of Kuwait, under the auspices of the Kuwait Development Fund that offered regional help to developing neighbors since Kuwait's discovery in 1938. The BBME helped to negotiate favorable lending conditions and also agreed to guarantee payments in case Dubai defaulted.⁵⁰ The initial dredging and widening of the creek was completed by the end of the decade, and increased throughput capacity to allow local vessels and coastal steamers of up to 800 tons to enter. Grey Mackenzie & Sons, also a British firm working in the Gulf since the late nineteenth century, operated barges that unloaded cargo in the creek for offshore ships over the 800-ton limit.⁵¹ The Sharjah creek had silted to a point beyond use, long enough for Dubai to secure the infrastructural advantage.

In addition to creek dredging, through the same regional networks, Dubai also contracted the British architect/planner John R. Harris to draft the first 1960 master plan to direct booming expansion and infrastructure projects. Harris had also been involved in architecture and planning work in Kuwait, but as creek activity and development increased, Sheikh Rashid either foresaw, or was persuaded, that this kind of urban development and expansion needed proper planning to guide it. The sources on this matter diverge according to who is writing the history, but whether Sheikh Rashid saw what was happening in Kuwait and Bahrain and wanted to follow their example with the advice of British institutions and consul tants who would benefit, or whether these infrastructure projects were part of his larger vision for Dubai is conjectural. Clearly Sheikh Rashid's political cunning, along with a family history of business-friendly policy to facilitate trade, demonstrated the intelligence to both identify and create opportunities for Dubai. But it was with the financing and technical expertise of both British and Gulf networks that these projects were ultimately realized.

Harris's 1960 document was principally a road map outlining the transportation armature to help structure the city's growth, which also included general land use indications for industrial, residential, commercial, and public (future schools, hospitals) use, but these were broad-brushed, and could later be changed

⁴⁹ Jones, 1987, p. 150.

⁵⁰ Jones, 1987, p. 154.

⁵¹ Gabriel, 1987, p.141. Jones, 1986.

circumstantially according to new project and investment requirements. A 1968 promotional booklet on Dubai announces as much in its "Town Planning" section: "The whole plan has an inbuilt flexibility enabling it to be adapted to new conditions and major development projects."52 Again, while initially a part of the reform movement's petitions, the Dubai Municipality was officially established in 1957 as the institution in charge of carrying out the indications of the Harris plan. By the end of the decade, the small fishing town began to grow southward along the creek's natural urban axis with the help of muscular, ambitious engineering projects to guide expansion. Dredging and land reclamation, and Harris's first master plan, occurred at the same time as Sheikh Rashid promulgated the Land Law of 1960, which essentially was a homestead declaration giving land ownership to those Dubai nationals who could prove that they had lived on their property for a certain period of time. All other land belonged to the ruler - land could not be owned by non-nationals - and if the municipality needed private land for infrastructural purposes, it was committed to paying the appropriate price. Prince Maktoum bin Rashid Al Maktoum headed the land regulation committee, with the Land Law structured specifically on the Sudanese land law, which had recently been completed after Sudanese independence in 1956,53 and Sudanese consultants were contracted to help formulate the law based on their recent experience.⁵⁴, The Land Law is another example, though in a different sector, of consulting expertise contracted through regional networks based on British spheres of influence (the Sudan was also a part of the British Raj at this time). The law was also an essential step to define land capitalization for wealth accumulation and should be understood as directly linked to the first master plan as part of the larger strategy to both invest in Dubai as a territory through large infrastructure projects and take advantage of the resulting land value increase from these projects. The law also helped to guarantee the loans needed for these projects by capitalizing land for wealth accumulation.

Other infrastructural projects were also initiated during this period with financial help from the above-mentioned networks, including the Qatari ruling family, which like Kuwait, had also recently discovered oil within its territory. Projects included drilling for additional fresh water resources for the growing population (the site of Al-Awir would become an important water resource, along with the enhanced Bedouin well systems),⁵⁵ the Dubai State Telephone Co., along with the founding of the Dubai Electric Company, which the BBME also helped form based on the foundational structure and articles of the Baghdad Electric Company.⁵⁶ The British Halcrow firm, which by this point was firmly established as the chief engineering group for Sheikh Rashid's plans, was also contracted to build the first bridge across the creek. The Al-Maktoum Bridge finally connected Bur Dubai with Deira, facilitating alternative passage for vehicles beyond the creek water passage through *dhows* and *abras*.

Sheikh Rashid initiated many infrastructural projects during this boom period between 1958, when he assumed the title of ruler, and 1966, when oil was struck. It is important to underscore that, along with the more traditional infrastructural and municipal services projects mentioned, there was also a conscious effort to establish a banking and hotel infrastructure to further attract trade and diversify

[T]here was also a conscious effort to establish a banking and hotel infrastructure to further attract trade and diversify financial possibilities

⁵² Hamza, 1968. The Engineering Department of the Dubai Municipality was responsible for the Plan's implementation.

⁵³ Balfour-Paul, 1991, Chapter 2.

⁵⁴ Hamza, 1968.

⁵⁵ Davidson, 2008, p.92. Wilson, 2006 p. 177.

⁵⁶ Jones, 1987, p.155.

financial possibilities. The financial arrangements with local and British contacts to finance the engineering projects often resulted in Dubai's use of borrowed money to pay international (mostly British) consultants to carry out ambitious projects, such as creek dredging and road construction. But Sheikh Rashid also understood that at some point, these institutions would need to be created locally.

The BBME had enjoyed a monopoly in the banking sector in Dubai since the late 1940s and, though officially their profits where less than in other parts of the region, gold trade throughout the 1950s earned the bank an important income. During a trip to London in 1959, Sheikh Rashid is said to have made an agreement with the BBME to extend their monopoly banking privileges, which were previously scheduled to end in 1967, for an additional seven years, or through 1974. Nevertheless, beginning in 1962, Dubai representatives went to Kuwait to study the National Bank of Kuwait and to offer them a 30 percent share in the establishment of a National Bank of Dubai in 1963.57 The National Bank of Dubai, to the BBME's surprise, opened in May 1963. In Geoffrey Jones's history of the BBME, with an obvious bias, he states, "BBME's decision not to oppose the formation of the National Bank was the only practical choice...There was great disappointment, however, when further breaches of BBME's monopoly followed."58 These "further breaches" included the opening of the First National City Bank of New York (Citibank) in January 1964 as a part of the 1963 oil concession agreement with the United States firm the Continental Oil Company. By 1968, along with these three banks, six other banks from neighboring Gulf countries, the U.K. and the U.S. had opened offices, and this number, of course, would continue to grow apace with Dubai's economic prosperity.⁵⁹ Sheikh Rashid's decision to first establish a National Bank and then to diversify the international bank presence in Dubai may have origins in the fact that the BBME had initially refused his petition for a loan to widen and deepen the creek, and that his desire to use their presence as a quasi-public coffer had clear limits. The merchant community, which had a history of anti-British sentiment, may also have influenced Sheikh Rashid's decision but it seems just as likely that he observed the moves of neighboring Gulf countries and believed that Dubai's financial autonomy would require the founding of a national bank as well.

Dubai also saw the beginnings of its hotel sector in the early 1960s, with an increasing number of visits from international businessmen attracted by the prospect of oil exploration, along with gold trade activities. The three first-class hotels, the Carlton (112 rooms) on the Deira side of the creek, the Bustan (32 rooms) by the airport, and the Airlines Hotel (26 rooms) in Bur Dubai, were advertised with swimming pools and tennis courts.⁶⁰ Additional hotels included the Ambassador (46 rooms) and the Oasis (36 rooms).⁶¹ In the following decade, international hotels would become towers lining the creek, but at this point, they were still ground+nine buildings. Foreshadowing future supply-side infrastructural decisions, hotel construction preceded the demand capacity, and many rooms were initially vacant. As the decade would progress and investments increase, these kinds of vacancies would not last.

⁵⁷ Jones, 1987, p. 156.

⁵⁸ Ibid.

⁵⁹ Hamza, 1968.

⁶⁰ Wilson, 2006, p. 186. Gabriel, 1987, p. 143. Hamza, 1968.

⁶¹ Harris, 1994, Section 4.2.8.

Air- and Seaports

The municipal services, financial institutions, and nascent tourist infrastructure projects sought to complement those core elements of Dubai's trade and entrepôt functions, but Sheikh Rashid's projects still centered on large-scale trade infrastructure. Though the creek had been widened and dredged in the late 1950s, the 1930s air concessions agreement with the British R.A.F. to use the creek as a landing strip for water planes was signed mainly with the interest of warding off other international courters. The creek's actual use as an airstrip is recorded only from 1942–1947.62 The principal airport for the lower Gulf was the Sharjah International Airport established in 1939, but just as Dubai wanted to compete for maritime trade with Sharjah by dredging the creek, Sheikh Rashid realized quickly that an airport would be necessary to attract international business directly to the city. When presenting the idea to the merchant community, however, he made sure to underscore his firm belief in an "open skies" policy⁶³ and not repeat the exclusive agreement signed in the late 1930s by Sheikh Said. Sheikh Rashid also emphasized these different circumstances to downplay any bad memories of the power change that the air concessions deal of the 1930s had caused the majlis. Easa Saleh Al-Gurg, who served as an advisor to Sheikh Rashid and an early employee of the BBME, recounts in his autobiography how he and Sheikh Rashid, during their 1959 trip to London, met with International Airadio Limited, the British air-traffic control firm, where they committed to running a new Dubai International Airport. They identified a plot of land between the Al-Ghusais and Al-Rashidya areas in early 1960 and, by the end of the year, the terminal and air tower were complete. The airport was managed by International Airadio Limited, and flights from Gulf Aviation and Kuwait Airways immediately began routing through Dubai. British Overseas Aviation Company, though initially reluctant, also eventually began flying through Dubai, as the result of Sheikh Rashid incorporating his father's policy of buying up any vacant seats on flights so that the BOAC could meet its minimum of 60 percent occupancy.⁶⁴

By 1965, increased trade along the creek continued to serve the construction and oil exploration boom of the 1960 and it was clear that a deep-water port was needed to alleviate month-long queues of ships waiting to unload cargo for the city. While forty Grey and Mackenzie barges worked to unload offshore ships, it simply could not keep apace, and, in several cases, helicopters were contracted to help throughput. In 1965, Halcrow was summoned once again to begin surveys for a deep-water port just south of the creek's entrance in Al Shindagah. The initial plans for the new Port Rashid were complete in 1967, but based on conservative British growth projects for trade, included only four berths,. As we will see, even Sheikh Rashid's insistence on sixteen berths proved below the mark, and all berths were oversubscribed when Port Rashid opened in 1971, which would then have to be expanded to thirty-seven berths by the end of the 1970s.

- 62 Al-Gurg, 1998.
- 63 Davidson, 2008, p.94.

⁶⁴ Davidson, 2008, p. 95.

Oil Discovery

By the early 1960s, the twenty-five year oil concessions contract that Sheikh Said had signed in the late 1930s with Petroleum Concessions Limited (PCL) was ending. The first round of concessions contracts throughout the Gulf, roughly from 1910 through World War II, were generally forced on rulers through the British political agencies, wherein the oil exploration was not required to train nor include local labor, offer participation of the host country, foster any commitments toward industrialization development, and were generally established on unjust financial arrangements.⁶⁵ In the case of Dubai, the end of the pearl trade, and the financial advantage of direct payments to Sheikh Said, offered a politically attractive way to strike a new power contract with the local majlis, but this is not to say that the concessions contracts were just. After PCL acquired the concession rights, World War II interrupted oil exploration in Dubai but when it resumed, PCL explored three separate sites for onshore drilling (notably, Jebel Ali) during the 1950s. By the time the contract was up, oil had been discovered in commercial quantities in other regions of the Gulf and the frustration of unsuccessful drilling meant that the British were not as eager to renew the existing contract. In 1963, Dubai signed an oil exploration contract with the U.S. Continental Oil Company (CONOCO), and set up the Dubai Petroleum Company (DPC) to run the onshore concession. The Dubai Marine Areas Limited was also set up as a joint venture with British Petroleum and Compagnie Française de Pétroles for offshore exploration.⁶⁶ This arrangement would change several times through quick sales of percentages within these joint ventures from one international oil company to another, but on June 6th, 1966, the DPC discovered crude oil in the offshore "Fateh" field (meaning "good fortune" in Arabic) at 7,600 feet below sea level. Subsequent fields known as "Fateh South" and "Rashid" were also successful, and oil production began three years later in 1969. On September 22, 1969, the first shipment of 180,000 barrels arrived at the U.K. CONOCO refineries, and on October 15, 1970, Dubai became an official member of the club of oil exporting countries.⁶⁷ By the end of the first year, the Dubai oil fields yielded 3,561,094 barrels of crude oil, with revenues of \$376,114. By the end of 1970, revenue jumped to \$11,556,000 and by the end of 1975 estimated revenue reached \$600,000,000.68

[O]n October 15, 1970, Dubai became an official member of the club of oil exporting countries.

Conclusion

While oil discovery brought revenue to Dubai and would change the city's physiognomy, moving it beyond the initial three settlements along the creek, it is clear that Dubai's status as a dynamic *entrepôt* for international trade and transshipment, its foundational infrastructure projects, and its "free port" policies to attract merchant communities from throughout the Gulf and the Indian Ocean, along with licit and illicit trade for re-export to Persia/Iran and India, were solidly established before "black gold" was struck in Fateh field. Dubai's trade vocation existed before the arrival of the British, but their indirect protection (with clear costs and benefits to Dubai), along with the fact that British merchants were not at-

⁶⁵ Al-Otaiba, 1977, p.39-40.

⁶⁶ Ibid.

⁶⁷ Ibid.

⁶⁸ Al-Otaiba, 1977, p.67.

tracted to local Gulf trade because profits were considered too low for their efforts, allowed for a community of Banian, Persian and Arab merchants to settle in Dubai and assume their own positions of power and influence.⁶⁹ Though before the arrival of oil, because of the ruler's dependence on the merchant community for their pearl trade wealth and subsequently because of Sheikh Rashid's sympathies with the importance of trade for the emirate, Dubai was, as Enseng Ho states, "a 'trading state' in which the ruling family, the Maktoums, combined the role of both ruler and chief merchant."⁷⁰ Indeed, through both marriage and family, Sheikh Rashid is perhaps the best example of this, so much so that his example would become imbued in both the responsibilities and political understandings expected of the sheikhdom title itself.

Sheikh Rashid was able to carry out the infrastructure projects solicited by the majlis in their reform movement, and though the merchant community was hit strongly by the end of pearling, gold trade profits for the Dubai merchant community helped to quell reform rumblings. Once the creek was dredged and widened, with Harris's master plan and the 1960s Land Law in place, the Dubai municipality saw the strategic opportunity to reclaim land on the Deira side of the creek by using what was removed from the dredging project. Creek dredging and land reclamation in the late 1950s and early 1960s provided a new surface on which to guide southern creek development. This reclaimed land then became the corridor for office, hotel, and municipal development, which the municipality was in turn able to either lease or sell without having to buy out any existing landowner plots within Deira-one of the densest parts of the city. Thus Baniyas Road would become the city's central business district, mixing heavier industry with commercial and office uses. This strategic use of ambitious infrastructural projects, and those institutions that would help establish future economic sectors for Dubai (i.e., numerous banks as a financial infrastructure, hotels as a tourism infrastructure) with multiple developmental objectives, would also mark future infrastructural projects and overarching developmental strategies.

Thus Dubai's development blueprint was being forged while the city was still a Gulf outpost and British protectorate up through oil discovery: large-scale engineering projects to facilitate trade movement (which, in turn, attracted more trade); urban expansion along the new trade route (initially, the creek); and spatial planning reduced essentially to providing transportation infrastructure to facilitate and loosely structure growth.

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⁶⁹ Owen, 2008.

⁷⁰ Owen, 2008, p. 7. Ho, 2008.

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22 | DUBAI INITIATIVE - WORKING PAPER

THE DUBAIINITIATIVE

The Dubai Initiative is a joint venture between the Dubai School of Government (DSG) and the Harvard Kennedy School (HKS), supporting the establishment of DSG as an academic, research, and outreach institution in public policy, administration, and management for the Middle East. The primary objective of the Initiative is to bridge the expertise and resources of HKS with DSG and enable the exchange of students, scholars, knowledge and resources between the two institutions in the areas of governance, political science, economics, energy, security, gender, and foreign relations related to the Middle East.

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