

Petrodollar Caprice

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Abstract

The majority of the world's petrodollars often remain invisible or unaccounted for, only registering briefly, if at all, in offshore locations. Many newly coined corporate free zones now merge with resorts, to avail themselves of the fantasy and caprice that petrodollars enjoy. Most banish the negotiations that are usually associated with the contingencies of urbanism—negotiations such as those concerning labor, human rights or environment. Most of these entrepôts also launder the temporary contents, labor conditions and real estate opportunities of their warehouses, campuses and parks. Many zone hybrids, oscillating between visibility and invisibility, identity and anonymity, have neither been mapped nor analyzed for their disposition—their patency, exclusivity, aggression, resilience or violence. While righteous, forthright intentions evaporate in such environments, unusual architectural levers or toggles may be part of an impure ethical struggle or an indirect political ricochet.

Petrodollar Caprice

The majority of the world's petrodollars often remain invisible or unaccounted for, only registering briefly, if at all, in offshore locations. Petrodollars are always on vacation and always away from their mail. Able to materialize and dematerialize with the ease of offshore holdings, many elite corporate organizations, consider themselves heir to the same privilege and liquidity that petrodollars enjoy. They need to get away and relax.

Operating in a frictionless realm of exemption, many newly coined corporate enclaves find relaxation in zone variants such as Special Economic (SEZs), Free Trade Zones (FTZs) or Export Processing Zones (EPZs). If it is the corporation's legal duty to banish any obstacle to profit, the zone is the perfect legal habitat of the corporation. It is the spatial organ of corporate externalizing—a mechanism of political quarantine designed for corporate protection. The zone is also a primary aggregate unit of many new forms of the contemporary global city, offering a “clean slate,” “one-stop” entry into the economy of a foreign country. Most banish the negotiations concerning labor, human rights or environment. Most also launder the temporary contents, labor conditions and real estate opportunities of their warehouses, campuses and parks. Many of the new legal hybrids of zone, oscillating between visibility and invisibility, identity and anonymity, have neither been mapped nor analyzed for their disposition—their patency, exclusivity, aggression, resilience or violence.

More and more programs and spatial products thrive in legal lacunae and political quarantine, enjoying the insulation and lubrication of tax exemptions, foreign ownership of property, streamlined customs and deregulation of labor or environmental regulations. The zone aspires to lawlessness, but in the legal

tradition of exception, it is a mongrel form that adopts looser and more cunning behaviors than those associated with an emergency of state. Functional spatial recipes of commerce and business are not only vessels of organizational parameters, but also a medium of the many puffy fairy tales of belief that accompany power. Breeding more promiscuously with other “parks” or enclave formats, the zone now merges with tourist compounds, knowledge villages, IT campuses, museums and universities that complement the corporate headquarters or offshore facility.

Indeed, assuming an ethereal aura and an overlay of fantasy, many corporate enclaves have merged with the resort. If corporations are often only vessels for liberated money, they can easily be maintained outside of the work-week environment. While corporate headquarters in national capitals and financial capitals portray a glamorous business-like atmosphere, the office park has recently begun to project the image not of a Hilton hotel or a colonial club but rather a fantasy island of a kingdom of unencumbered wealth. For instance, King Abdullah Economic City, a production of the UAE’s Emaar developers on the Red Sea near Jeddah, offers a full complement of cultural, educational, business and residential programs together with resort functions. Fly-throughs with swelling traditional music render the city as a shimmering, golden man-made island filled with traditional Islamic palaces and programmed with leisure space. Even more extreme are those enclaves that directly merge with the offshore island shelter. Off the coast of Iran, Kish Free Zone similarly attracts business to the island of Kish notorious for its relaxed religious standards. Here, there is not only a loosening of headscarves and a greater opportunity for socializing between men and women, but the standard set of exemptions to which the corporation has grown accustomed. Nearby fantasy hotels like the Dariush Grand Hotel recreate the grandeur of Persian palaces with peristyle halls, gigantic cast stone sphinxes and ornate *bas reliefs* depicting ancient scenes.

From their position of relaxation, petrodollars fund a special sort of extrastatecraft. Kingdoms reawakened by oil after the great centuries of national history are less concerned with the well-rehearsed techniques of national sovereignties such as war, suffrage, diplomacy or franchise. Yet, in oil regions or anywhere else in the world, the nation state is not losing ground to transnational forces. Rather the two work in *tandem* to determine the most advantageous ways to release, launder or shelter power. For instance, corporate powers seek out deregulated, extra-jurisdictional spaces (SEZs, FTZs, EPZs etc.) while also massaging legislation in the various nation states they occupy (NAFTA). The stances of any one nation or corporate consortium are therefore often duplicitous or discrepant reflections of divided loyalties between national and international concerns or citizens and shareholders. Temporary conviction and duplicity are crucial to political agility.

The symbolic capital that architects provide in the form of cosmopolitan identities, selective historical traditions, signature skyscrapers or architourism lends a

camouflage of gravitas to the temporary intentions of extrastatecraft. Real estate operators like Emaar move between zones to provide the spatial environments and amenities that corporate “families” recognize as home. They establish mobile embassies within networks of legal habitats that can be recreated anywhere in the world. In their cast concrete palaces or mirror tiled office buildings, Architecture is the casino within which to store and flip petrodollars. Yet architecture also helps the largest conglomerates that appear hat-in-hand in the media wanting the world to get to know them and support their work as they develop alternative energies and more resilient crops that might alleviate poverty. They ask for loyalty—a loyalty beyond brand recognition and closer to a form of patriotism for non-national sovereignty. While the free zone often uses business instruments for self-governance in lieu of the tools of a citizenry, it also sometimes borrows the tools of participatory democracies in service of business. Gazprom City, in St. Petersburg, the proposed architectural outcropping of the Gazprom oil network has asked the world to vote on an architectural monument from slate of options designed by famous architects. Moreover, King Abdullah Economic City is symbolic capital of the state and a monument to its “wise leadership.”

The merger of petrodollars with an ancient entrepôt like, for instance, Dubai conflates evasive funds with an urban tradition that cares more about the movement rather than the stability and retention of goods. Mobile contractors, services and labor reduce the likelihood of accountability. In this way, the poverty of cheap labor or the corrupt origins of goods can be managed or laundered without the chaos of informal economies. Labor exploitation, for instance, is transparent, stabilized within the law and handled by commercial contractors rather than government agencies. The migrating worker, like the tourist is the ideal quasi-citizen who after depositing money or effort leaves without further requirements of the state. Other corporate consortia also serve as parastate function. Enjoying quasi-diplomatic immunities, corporations may provide to nations the temporary support and expertise for transportation and communication infrastructure or relationships with IMF and the World Bank. Indeed petrodollars together with networks of construction companies and infrastructure specialists like Bouygues, Bin Laden, Mitsubishi, Kawasaki or Siemens are delivering some of the worlds most sophisticated rail and transit even to the gulf region—the epicenter of oil.

Unencumbered wealth prefers non-state violence. Total War arguments lend to the state and its military a great deal of agency. They are also good camouflage for massively capitalized corporate conglomerates that avoid war because it is bad for business. Intractably passive and oblivious to consequences, they can then be indirectly involved with non-state violence that is harder to trace. For instance, one of the UAE’s stated goals is to partner with Africa on several initiatives. Yet, in the case of the Alsunut development in Khartoum, it seems that the UAE does not intend to share its techniques for distributing oil wealth, or, at least, not with non-Arab populations. Development expertise from Abu Dhabi

and Dubai is helping Alsunut Development Company Ltd. in building Almogran, which includes 1660 acres of skyscrapers and residential properties. The new corporate compound only underlines the extreme discrepancies in Sudan between northern oil wealth and the exploitation of oil resources in the mostly non-Arab south. Indeed, the overt, even hyperbolic, expressions of oil money are among the chief tools for instigating war and exacerbating violence in the south. The Middle East real estate casino has yet more material, but leverages no assets for another race and culture.

The caprice, the relaxed extrastatecraft, of petrodollars creates political phantoms—events that fall outside the logics of the state or sentiments that are not easily taxonomized or moralized by the left or the right. An unofficial transnational polity operates by the rules native to discrepant or duplicitous territory. It is the *stray* details that may actually cause a cessation of violence, a shift in sentiment or a turn in economic fortunes unpredicted by political orthodoxies. Most urgent then for architecture is not the righteous consolidation of a singular position but rather the proliferation of many tools of spatial manipulation. Perhaps the prevailing logics of this duplicity prompt *impure* political struggles. While constancy and forthright intentions may evaporate in such environments, unusual architectural levers or toggles may be part of an indirect political ricochet.