

# **Mediterranean Politics**



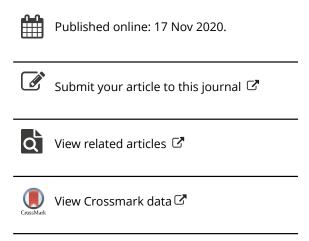
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# Jordan's economic, security and political challenges under Covid-19

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# Jordan's economic, security and political challenges under Covid-19

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#### **ABSTRACT**

This essay examines the implications of the continued spread of Covid-19 on the political, economic and security challenges that confront Jordan. It argues that the country's response to the pandemic constitutes a significant juncture in the counter-revolt and counter-reform in the region. The reactions of the Jordanian government unfolded as a process of power consolidation in the office of the appointed prime minister while weakening the democratic institutions, organized socio-political dissent and civil society. Through this policy, the Government has sought to pre-empt popular demands for political reforms and participation in a context where the rentier social contract has become unsustainable. The deferred Israeli plan to formally annexe parts of the West Bank represents serious threats to the tenuous balance in the country and its century-long security strategy. Although the survival of the Hashemite Kingdom has been at stake many times throughout its history, the post-Covid-19 confluence of challenges is unique. The country's reliance on a conventional security-driven approach may not just fail to address the problem but could increase the risks.

**KEYWORDS** Jordan; Covid-19; Israeli annexation of the West Bank; Israel–United Arab Emirates agreement

#### Introduction

The Covid-19 pandemic occupies a central position in national and global political landscapes. At the international level, the UN Security Council could only pass a modest resolution demanding a 'ceasefire' on all conflicts three months after the start of the pandemic. As a result, the world has missed an opportune occasion to halt conflicts and allow a unified focus on tackling the pandemic. This would have been highly relevant for the Middle East, which has the largest number of militarized conflicts, refugees and displaced persons worldwide. Instead, the region's potentates capitalized on the pandemic to entrench their repression and grip on power. They rushed immediately to declare a state of emergency that automatically constrained the popular protests against their politics (the 'second wave' of the Arab uprisings) in countries like Jordan, Lebanon and Iraq. Covid-19 put the region's authoritarian regimes

at the centre: they became the sources of the truth that provided insights into confirmed cases of infection, recovery and death.

Jordan is an interesting case for two reasons. First, since the 2011 Arab uprisings, the country's political life has been characterized by a tug-of-war between the Regime and the opposition and other domestic forces. Although Jordan did not implement significant reforms, it managed to maintain the status quo and stability throughout the country. Second, the Jordanian regime dominated the scene through its distinctive security-driven approach to the pandemic that extensively relied on the disciplinary apparatus of the state, especially the police and army. Jordan's response unfolded as a process of power consolidation in the office of the appointed prime minister while weakening the democratic institutions, organized socio-political dissent and civil society. From this perspective, Jordan's Covid-19 politics is another juncture in the counter-revolution and counter-reform movement in the region.

Jordan's swift and confident response was received with broad popular approval, even from those who had taken the streets against the same Government. Post-Covid-19 domestic, regional and international conditions present a unique confluence of challenges that include the unresolved question of political reforms and participation, socio-economic pressures and the implications of the Trump Administration's 'peace' plan – which is also known as the 'Deal of the Century' or 'Peace for Prosperity'.

It is still too early to draw decisive conclusions about the implications of the ongoing pandemic. However, the deteriorating economic and health conditions coupled with pre-Covid-19 socio-economic tensions and conflicts in the region do not bode well for Jordan, which is exceptionally resource-scarce and reliant on external aid that may not be forthcoming this time around. What follows is an attempt to explore the implications of the Covid-19 for Jordan's political, economic and security challenges. I will first address the effect of Jordan's response to the pandemic on political reforms and then I proceed to consider questions of economy, security and foreign policy.

# Jordan's management of the pandemic

Jordan reacted promptly to contain the spread of the coronavirus. In early February 2020, an aeroplane flew from Amman to Wuhan, the epicentre of the initial outbreak, to evacuate Jordanian and Arab students from the city. The next step was banning all travellers from China, Iran and South Korea from entering Jordan before imposing similar restrictions on other countries. Travellers were also required to quarantine for 14-day after they arrived in the country. In mid-March, the authorities imposed a strict lockdown (that lasted for almost three months), formed an army-led Covid-19 Crisis Committee and declared a state of emergency – based on the 1992

National Defence Law. The security sector was tasked with enforcing these restrictive measures and delivering essential food and medical supplies to citizens. Overall, Jordan's peremptory policies and public health interventions, which included guarantines in five-star hotels, enjoyed wide domestic approval.

However, this level of public support faltered because of operational mistakes, erratic decisions and a lengthy lockdown that exerted psychological and economic pressures on citizens. Whether because of the government's policy or other factors, the virus appeared to be relatively contained. The significant drop in the number of new confirmed cases in April 2020<sup>1</sup> allowed the authorities to gradually ease the restrictions and open specific economic sectors at the end of the month. However, the state of emergency remained in place.

The Jordanian government did not capture this rare atmosphere of public support and trust to rebuild its relationship with citizens and allow greater political participation in the decision-making process. Instead, it undertook a more centralized and security-based approach that consolidate the decision-making power into the office of the prime minister and the security sector. Since declaration of the state of emergency, Jordan's Prime Minister was granted an extensive authority 'to safeguard the public safety and defend the Kingdom without being bound by the provisions of the ordinary law' (1992 National Defence Law, article 3). Furthermore, it introduced drastic economic measures and an unprecedented micro-management of daily life under cover of the state of emergency.

The Government used the state of emergency, which it deliberately prolonged, to further disrupt political dissent. It embraced a confrontational course of action against organized grassroots civil society institutions and opposition movements and figures. While the Parliament was side-lined from the start, a series of political arrests against the opposition and the media were conducted. This time the judicial apparatus (the Court of Cassation) intervened and dissolved the Jordanian branch of the Muslim Brotherhood, which with its political party (the Islamic Action Front) represent the country's largest and only organized opposition. Moreover, freedom of expression was also diminished under the guise of 'electronic crimes' and gag orders.<sup>2</sup>

These measures were conducted in a concerted manner, which further cemented the country's democratic deficit and attested to the Regime's shift from pragmatic absorption of dissent to security-driven solutions and confrontation. In this manner, the pandemic provided a juncture to consolidate the authoritarian rule. Although health concerns and the security approach provided a lull, new protests in the pursuit of political and economic reforms may re-emerge in Jordan sooner than expected – as we have witnessed in Lebanon (in April) and Iraq (in June).

### The economic challenge

Jordan's chronic economic crisis derives from political and geographical factors. Since the 1990s, the country has embraced the neoliberal economic order and debt-regime, which generated a trend of continuous fiscal and trade deficits, rising national debt (increased by 10-fold since 1994) and growing unemployment. In keeping up with the conditions and recommendations of international financial institutions, Jordan has repeatedly imposed austerity measures and various forms of taxation. This has led to rising living costs and produced waves of large-scale protests (*al-hirak*) in many Jordanian cities, the last of which was against the economic policies of the former Prime Minister Hani Mulki (2016–2018) and his successor Omar Al-Razzaz (2018–2020).

The international and external challenges have further compounded the pandemic's socio-economic impact. The strict lockdown crippled internal economic activities. The global and regional economic recession reduced external resources in the form of exports and foreign aid. The immediate impact of this situation was deeply felt by daily wager labourers and those working in the private sector who experienced either a total or a 30 to 60 per cent loss of income (modified Defence Law number 6, 1 June 2020).

The decline of international oil prices may be something of a silver lining for Jordan, which imports almost 95 per cent of its energy. The International Monetary Fund's (IMF) claimed that cheap oil prices have positive effects on Jordan's economy by reducing import costs. However, this is only part of the story. Plummeting oil prices are likely to put Jordan's economy under additional pressure. The economic downturn in the region's oil-producing countries, which the pandemic has accelerated, will profoundly impact the rentier political economy that underpins the social contract across the Middle East. The outbreak of the pandemic dashed oil-producing countries' hopes that oil prices would rise after the 2014 dip. As a result, revenues fell, budget deficits grew, and an array of unpopular economic policies (including a reduction of subsidies for essential goods, the imposition of new taxes and levies and the abolition of cost-of-living allowances) were introduced in these countries. This situation is likely to usher in dangerous levels of poverty, unemployment and unrest, and could even evolve into widespread protests and revolts. We have already seen tell-tale signs of this situation in Saudi Arabia, a dominant global oil-producer. In May 2020, it adopted 'painful measures' because of the decline of revenues and economic recession.<sup>3</sup> This apparent Saudi internal affair has negative impacts for a country such as Jordan which depends on the Gulf's economic model. The Jordanian treasury already started to experience loss of financial aid from the Gulf states. Jordan risks shrinking levels of remittances if a substantial number of its citizens lose their jobs in the Gulf – as happened during the First Gulf War in 1990–1991.

The alarming economic indicators for the first quarter of 2020 reflect the depth of the problem in Jordan. Real Gross Domestic Product (GDP) declined

by 3.7 per cent and revenues declined by 25 per cent. According to official figures, unemployment grew from 19 per cent in 2019 to 23 per cent during the second guarter of 2020 and is expected to reach 25 per cent by the end of the year. The national debt relative to its GDP has reached 114.7 per cent in 2020 and is expected to rise to 123.3 per cent in 2021. The economic situation has far-reaching socio-political implications and has the potential to destabilize the rentier social contract that governs power relations the entire order in Jordan and beyond. In July 2020, this imbalance manifested when the Government reneged on its 2019 agreement with the Jordanian Teachers Syndicate to improve their pay and working conditions. It responded by closing the Syndicate, arresting its leaders and prohibiting the media from reporting on the case. Here, too, the security approach was used to silence the Syndicate, which represents one of the country's most organized grassroots civil society institutions.

It is worth noting that teachers in Jordan were denied the right to establish a trade union since 1956, and were only allowed to do so in early 2011 as a result of the new dynamic of the Arab uprisings that swept the region. The establishment of the Syndicate was one of the main symbolic achievements of these uprisings and, therefore, its closure is inseparable from the Regime's policy to roll back the 'concession' it made to prevent a further escalation of the protests that broke out in the country in 2011. The Syndicate affair fleshed out the citizens' disillusionment with the political system and exposed the hollowness and vulnerability of the so-called reforms.

Although the strict Jordanian strategy ostensibly seeks to tackle the pandemic, it has been used to consolidate power and further weaken political opposition in anticipation of renewed popular demands for reforms, especially when the rentier social contract becomes completely unviable. Besides the Government's increasing reliance on the security apparatus, shrinking economic resources may lure Jordan to pursue more stringent austerity measures. However, the current situation of economic recession and further restriction of political liberties is likely to trigger perilous levels of social unrest at a time when Jordan is confronted by an 'existential threat'<sup>4</sup> from its western borders.

# Foreign policy and security challenges

Jordan's emergence as an independent state can be traced back to Britain's imperial designs for the Middle East and its commitment to establish a Jewish homeland in Palestine and impose it on the native population and region as expressed in the 1917 Balfour Declaration. Through his direct collaboration with the British and the Zionist movement during the first, the Emir Abdullah bin Al-Hussein (1882–1851) carved a new sovereign space in Transjordan under his rule. Britain formally recognized it as an independent state in

1923, and thereby the Hashemite Kingdom of Jordan was practically established. Towards the end of the twentieth century, in 1994, this tacit 'collusion'<sup>5</sup> with the Zionist movement resulted in the Wadi Araba Peace Treaty, which established formal peace between Jordan and Israel, This agreement, which is still unpopular in Jordan, would have been inconceivable without the Oslo Peace Process that stipulated Israel's withdrawal from the Occupied Palestinian Territories (OPT), which were captured from Jordan and Egypt in 1967, and the establishment of Palestinian statehood.

Jordan views the return of the 1967 occupied land and Palestinian statehood as 'high' national security issues, which implicitly constitute the main pillars of the Jordanian-Israeli peace. The establishment of a Palestinian state based on the two-solution is a central part of Jordan's security strategy and its future aspirations. It would help to end Israel's 'border elasticity' and its eastward settler-colonial expansion, which represent grave geographic and demographic threats to the Hashemite Kingdom. The establishment of a Palestinian state in the OPT would also enable a significant number of the Palestinian refugees in Jordan who were displaced in 1967 to return to Palestine according to UNSC resolution number 237.

The political dynamics have fundamentally changed since 1994. The rise of the Israeli far-Right and the accelerated settler-colonial expansion into the West Bank have turned the two-state solution into an anachronism. In recent year, remarkable shifts in international politics have complemented the political and material developments on the ground. In particular, the Trump Administration assumption of office in 2016 has brought a new policy towards most international conflicts, especially those in the Middle East. The Trump Administration's approach to Israel-Palestine ended all pretence about the Oslo Peace Process and the two-state solution. It promotes Israel's extension of sovereignty over the entirety of historic Palestine (including the occupied Syrian Golan), and thus forecloses the establishment of an independent Palestinian state. The EU, which is a staunch supporter of the twostate solution, failed to reach a common position on the US 'peace' plan and on condemning Israel's plans to annexe parts of the West Bank.

The Covid-19 pandemic is merely a facilitating factor. Even before the start of the pandemic, the Arab states were fixated on domestic concerns and expressed no qualms about the Trump Administration's plan. The pandemic has further entrenched this inward-looking tendency in the Middle East. The feeble Arab (including Palestinian and Jordanian) and international response to the American recognition of Jerusalem as the capital of Israel and the subsequent relocation of the American embassy to Jerusalem has encouraged Israel and the US to take additional steps to advance their policy. The Covid-19 crisis enabled Israel to overcome its internal political paralysis and form a coalition government in March 2020 that prioritized the annexation of about 30 per cent of the West Bank, including the whole Jordan Valley. During



the crisis, Israel prepared the cartography of annexation and established the first of July 2020 as the start date for its implementation.

The Israel-Emeriti agreement on 13 August 2020 is an important development in this regard. It indicated an official alignment between most of the Gulf states and Israel without fulfiling the requirements of the 2002 Arab Peace Initiative (API), which made normalization contingent on Israel's withdrawal from the land it occupied in 1967 and a 'just settlement' of the Palestinian refugee question. Whether it was because of the agreement or other factors, Israel agreed to temporarily suspend 'declaring' sovereignty over parts of the West Bank.<sup>6</sup> It is worth stressing that only the declarative element was postponed rather than the actual annexation and therefore the agreement do not abolish formal annexation in the future.

In Jordan, the annexation of the West Bank, especially the Jordan Valley, is considered an existential threat. It torpedoes the century-long Jordanian security strategy that rests on cooperation with imperial powers (Britain and then the US) and the Zionist movement. This strategy evolved into an official Jordanian-Israeli peace and an expected Palestinian 'buffer' state. The limitations of this strategy are abruptly highlighted by the alarming cartographic and demographic implications of the annexation.

Form Jordan's perspective, the new political situation represents a critical change because its foreign and security policy is interlinked with the US and, more recently, the EU. While half of this alliance, the US, promotes annexation, the EU was incapable of acting decisively on this matter due to its structural limitations in foreign policy matters. Furthermore, Jordan's regional allies in the Gulf done away with the 'Arab consensus' stipulated in the API and thus further weakened Jordan's position and complicated its dilemma.

While most of the West Bank is empirically annexed and Judaized, the chances of further ethnic cleansing become a real prospect especially under the formulae of the de jure Jewish statehood in the entirety of Palestine as articulated in the 2018 Jewish nation-state law ('Basic Law: Israel as the Nation-State of the Jewish People'). Population displacement would adversely affect Jordan's stability. The historical experience of Jordan in 1948 and 1967 and current examples of migration in the region (Irag, Syria and Libya) further fuel this fear. For Jordanian policymakers, forced displacement of large numbers of Palestinians from the West Bank eastward is not a far-fetched possibility. Population transfer is embedded in the settlercolonial structure of the Israeli state that explicitly presents Jordan as the Palestinian 'alternative home' (al-watan al-badil). Moreover, the Hashemites' historic custodianship over the Muslim and Christian holy sites in Jerusalem, which accounts for a significant amount of the internal legitimacy of the Jordanian regime, is being contested. Indeed, Trump Administration's 'peace' plan unequivocally considers Israel as the 'custodian of Jerusalem'.8

This backdrop provides insights into the statement of King Abdallah II that annexation would trigger a 'massive conflict' with Jordan and that he is 'considering all options' in response (Der Spiegel, 15 May 2020). This warning indicates how critical this issue is and the difficult decisions that Jordan would have to take once Israel resumes the formal annexation plan, which will have longer-term impacts on Jordan's foreign policy.

#### **Conclusions**

Since the Arab revolts broke out in 2011, the Jordanian regime has pursued a third-way politics that has balanced multiple challenges without carrying out significant reforms and while preventing a descent into instability and violence. For almost a decade, the regime has trod a fine line between political concessions and overt repression of opposition forces. But Covid-19 shifted the balance in its favour. Whether by accident or design, the Jordanian response to the pandemic has radically centralized the decision-making process and gave the Government the required justification to use the security and judicial apparatus to dominate in the name of protecting public health. The state of emergency was exploited to consolidate power in the office of the appointed prime minister and to weaken dissent and opposition. From this perspective, Jordan's approach appears as further innovation in the counter-revolt and counter-reform in the region.

The domestic, regional and international economic consequences of the pandemic have multiplied the pressure on the already battered Jordanian economy to the point where the rentier social contract has become unsustainable. The Government has used the Covid-19 strategy for political purposes: to silence opposition and grassroots civil society and diminish their political clout as a means to pre-empt new demands for reforms and political participation. The pandemic has exacerbated the economic problem in the country and forced more citizens (especially from the working and middle classes) into poverty. The simultaneous repression and deteriorating economy may produce destabilizing socio-political effects and push the opposition into underground operations. The Trump Administration approach to the Israel-Palestine question is another threat that could tip the balance in Jordan and imperil its century-old security strategy. The unveiling of the 'Peace for Prosperity' has also placed Jordanian decisionmakers in a severe dilemma and uncertainty, as Jordan's foremost strategic ally is now endorsing a course of action that gravely endangers its security. Although the survival of the Hashemite Kingdom has been at stake many times, the post-Covid-19 confluence of challenges and pressures is unique, and therefore Jordan's reliance on conventional security-driven approach is likely to increase the risks.



#### **Notes**

- 1. Since the end of August, a noticeable rise in the number of cases has been recorded.
- 2. Human Rights Watch (2020). Jordan: Free Speech Threats Under Covid-19 Response. 5 May, https://bit.ly/3k0ILfv (8 June 2020).
- 3. Saudi Arabia Finance Ministers Mohammad Al-Jadaan, Interview, Al-Arabiya, Saudi state-owned TV channel, 3 May 2020, https://bit.ly/3jXyxws (8 June 2020).
- 4. Badarin, Emile (2020) 'Israel annexation plan: Jordan's existential threat'. Middle East Eye 6 July, https://bit.ly/3m5xv3j (6 August 2020).
- 5. Shlaim, Avi (1988) Collusion Across the Jordan: King Abdullah, the Zionist Movement and the Partition of Palestine. New York: Columbia University Press.
- 6. Joint Statement of the United States, the State of Israel, and the United Arab Emirates. White House, 13 August 2020, https://bit.ly/3260F8w (14 August 2020).
- 7. Meanwhile, the influential EU Member States such as France and Germany expressed their stark opposition to Israel's annexation plan that would constitute a violation of international law.
- 8. A Vision to Improve the Lives of the Palestinian and Israeli People. White House, January 2020, https://bit.ly/338ypTR (8 June 2020), p. 9.

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