

كسر القوالب Breaking the mold

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Arab Civil Society Actors and their Quest to Influence Policy-Making

Case Study #18

Country Jordan

Keywords: Social and Economic Rights, Political Economy, IMF, Social Movement, Austerity, Debt, Foreign Policy

JORDAN'S 2018 NATIONAL STRIKE | Juman Abou Jbara |

The involvement, strategies and tactics of Jordanian civil society in resisting IMF-backed austerity measures

BACKGROUND AND TIMELINE

On May 21, 2018, the Jordanian government announced a proposal for a new income tax bill following a series of austerity measures demanded by the International Monetary Fund (IMF) to approve a fiscal consolidation plan towards meeting the deficit in the national budget. Jordan was required to make financial policy amendments to cover public debt in return for a loan facility that was approved in 2016¹. Such measures ranged from the abolition of subsidies on essential goods, including bread, and hikes in general sales tax and fuel prices. By the first half of 2018, fuel prices had increased five-fold, and electricity bills had doubled². In response to these measures, protests in governorates had already begun since January that year but, despite their persistence, did not gain national prominence³.

In the crudest categorization, it can be said that there had been two chief logics behind Jordan's tax regulatory framework: the 'state formation logic' between the early 1930s through to the early 1980s and the 'neoliberal logic' from the mid-1980s onwards⁴.

While the two logics were shaped by complex historical factors that are beyond the scope of this paper, the tax frameworks in both cases were reactive to regional or local crises. The same pattern persists today.

By mid-2018, unemployment had risen to 18.7 percent compared to 18.2 percent in 2017 and 14.6 percent in 2016⁵. Meanwhile, inflation rates had been steadily increasing⁶ while earnings remained inadequate to meet the high living costs⁷. Popular perceptions and some economic analysts attribute the ongoing economic crisis today to the privatizations and economic restructuring recommended by the IMF from 1994 onwards⁸.

The draft income tax bill that the Jordanian Ministerial Cabinet submitted to parliament would reduce the tax-free income cap for families and individuals, whereby workers earning an income above this cap would face a 5 percent increase, and companies would face between 20 - 40 percent increase depending on their size and sector. During the two years that preceded this draft bill, a series of incremental austerity measures were gradually being announced, thereby creating a wave of mounting widespread anger and economic frustration.

¹Al-Khalidi, S. (2018, June 6). "Exclusive: Jordan to push IMF to slow reforms after protests, officials say". Reuters. Retrieved on May 7, 2019 from: <https://www.reuters.com/article/us-jordan-protests-economy-exclusive/exclusive-jordan-to-push-imf-to-slow-reforms-after-protests-officials-say-idUSKCN1J226W>.

²Keileh, S. (2019, June 7). "النهج الاقتصادي: احتجاجات الأردن وسياسة الاقتراض" [The Economic Scheme: Jordan Protests and the Policy of Borrowing]. 7iber. Retrieved on May 01, 2019 from: <https://www.7iber.com/politics-economics/jordan-protests-and-policy-of-borrowing>.

³To read more about the dynamics between governorate protests and the June strike, refer to: Ali, D. and Jarrar, S. (2018, June 10). "الاحتجاج «الحضاري» واستثناء المحافظات" ["Civilised" Protest and Excluding the Governorates]. 7iber. Retrieved on May 12, 2019 from: <https://www.7iber.com/politics-economics/civilised-protest-and-governorates-ex-ception/?percent3E>.

⁴For a more sophisticated analysis of Jordan's economic history, refer to Abdullah, T. (2008). "الدولة والقوى الاجتماعية في الوطن العربي: علاقات التفاعل والصراع" [The State and Social Powers in the Arab World: The Relations of Interaction and Conflict]. Beirut: Centre for Arab Unity Studies.

⁵Unemployment Rate. (n.d.). Department of Statistics. Retrieved on May 2, 2019 from: <http://dosweb.dos.gov.jo/category/unemployment-rate/>

⁶Inflation Rate (n.d.). Department of Statistics. Retrieved on May 2, 2019 from: <http://dosweb.dos.gov.jo/category/cpi/>

⁷Tabazah, S. (2018, February 22). "Minimum wages need to be increased to cope with price, tax hikes - experts". The Jordan Times. Retrieved on May 12 from: <http://www.jordantimes.com/news/local/minimum-wages-need-be-increased-cope-price-tax-hikes-%E2%80%94-experts>.

⁸Jarrar, S., Jibril, D., Faris, O., & Ali, D. (2018, September 25). "الافتتاح الاقتصادي على حساب العدالة: ثلاثة عقود من قوانين ضريبة الدخل" [Open Market Against Social Justice: Three Decades of Income Tax Laws]. 7iber. Retrieved on March 6, 2019, from: <https://www.7iber.com/politics-economics/open-market-against-social-justice-three-decades-of-income-tax-law>.

CIVIL SOCIETY ACTORS' ROLES AND INVOLVEMENTS

In response to the draft bill, the Council of Professional Syndicates' Presidents⁹ – representing 15 syndicates that form the largest professional bodies in Jordan – announced a general strike and were joined by another dozen member-based associations. A total of 33 labor unions, professional syndicates, and civic associations organized their members to take part in the strike. Key political parties, local NGOs¹⁰, and citizens alike also supported the strike. Prior to announcing the strike, the council had sought recourse through negotiations as their primary demand was to re-open the proposed bill for national dialogue. However, the Prime Ministry refused to withdraw the proposal. The first strike took place on May 30. There are no accurate estimates of the exact number of people who heeded the call, but both employees in private and public sectors, from banks to hospitals, participated in the strike. The Bar Association formed a committee to legally support any employees facing disciplinary actions by their employers for striking. Unexpected actors such as the Chambers of Commerce and Industry also supported the May 30 strike.

Paradoxically, one day following this strike, the government proceeded to announce the fifth hike in fuel prices for that year, leading to parallel mobilizations by largely ordinary citizens and independent activists who took to the streets in Amman. These efforts were coordinated by informal groups, in addition to some level of virtual organizing, mainly through a Facebook page called 'Maa'nash' (which in Arabic means: we have nothing left to give). Nonetheless, members and presidents of political parties, unions and syndicates also participated in the street actions. Citizens in governorates outside Amman had already been demonstrating for several months by the time of the strike. Despite the lack of formal ties with the strike or the council, those parallel informal efforts both inside and outside the capital created a popular pull that ultimately gave the council greater leverage before the government¹¹.

STRATEGIES AND TACTICS

The council demanded that the government withdraw the proposed bill and open the proposal to national dialogue through community consultations. When the government rejected the demand, the strategy employed by the council was to amplify the scope of opposition to a level that would make it unviable for the ministerial cabinet to sustain its legitimacy. Non-cooperation was a critical component of this strategy. The council met with the government a day before the first strike to reiterate their demands, yet refused to engage in any negotiations on the terms of the bill until it was withdrawn and opened for dialogue.

At the same time, protestors (mobilizing parallel to the strike) refused to back down, despite threats and some incidents of police violence. The intention of the popular mobilizations was broader than scrapping the income tax bill; their demands included the reinstatement of subsidies on essential goods, ending corruption, and enacting economic reform that would make Jordan less entrenched in neoliberal policies.



The informal mobilizations were organic and decentralized. However, some efforts were loosely coordinated amongst youth members of political parties, independent youth activists that emerged during the 2011 protests, and activists who had been active in other political campaigns such as opposing the gas deal with 'Israel' and other rights-based issues.

While protests gave the strike greater prominence and were a significant factor to its success, the discrepancy between the two parallel sets of demands created some confusion. Ahmad Samara Al-Zoubi – president of the Jordan Engineers Association (JEA), one of the most prominent bodies in the council leading the strike – noted that "While the Fourth Circle sit-out gave the council stronger leverage, it also implicated the syndicates in a discourse to which it could not structurally commit."¹² Thus, the council did not change its demands to satisfy the populist voice.

The main tactic employed by the council was a general strike that took place on two consecutive Wednesdays, in which employees across various sectors stood outside their institutions at the beginning of business hours. At midday, strikers gathered in a mass street demonstration at the complex of professional syndicates. Some believe that the council was not planning on escalating the non-cooperation strategy past the second strike¹³, especially with the king's decision to dissolve the government¹⁴, but it was partly the pressure from popular mobilizations that led the council to announce that they were willing to call for a third strike if their specific demand was not met¹⁵. However, that created a rift among the syndicates. Before the second strike, around a dozen unions and civic associations such as the Chambers of Commerce and Industry abstained and only the council, representing 15 professional syndicates, and a few other bodies, proceeded. Even internally there were disagreements within the council, but the internal procedures required a single, unified decision, which was to proceed with the second strike. It is thought that the government pressured the original 33 organizing bodies to de-escalate, which "was an expected move on the [state's] part" according to Al-Zoubi¹⁶.

Following the second strike, the announcement of a possible third strike was worrisome for the council, but despite apparent internal hesitation, it afforded the popular mobilizations a protective cover¹⁷. The informal tactic running in parallel to the strike was an occupation of public spaces, what may alternatively be called a 'sit-out'. In Amman, it began on the day after the first strike when the government announced the fifth hike in fuel prices at the 'Fourth Circle' – a busy roundabout that connects different parts of the city with the Prime Ministry office nearby. The wave of mass street protests across governorates from north to south of the country continued during the same period¹⁸.

⁹List of syndicates available via the official website of the Professional Associations Complex. Retrieved on May 12 from: <http://naqabat.net>.

(2018, May 29). "مؤسسات المجتمع المدني تعلن الإضراب" [Civil Society Organizations Join the Strike]. Swalief. Retrieved on May 12 from: <https://bit.ly/2VrmwDF>.

¹¹Al-Zubi, A.S. [2019, Feb. 18], In-person interview.

¹²Al-Zubi, supra 11.

¹³Ahed, H. (2019, May 12). Personal interview via video chat.

¹⁴Sweis, R. F. (2018, June 4). "Jordan's Prime Minister Quits as Protesters Demand an End to Austerity". New York Times. Retrieved on April 15, 2019 from: <https://www.nytimes.com/2018/06/04/world/middleeast/jordan-strike-protest.html>

¹⁵Ghazal, M. (2018, June 8). "Unionists pressured by crowd to resume protests". The Jordan Times. Retrieved on April 22, 2019 from: <http://www.jordantimes.com/news/local/unionists-pressured-crowd-resume-protests>

¹⁶Al-Zubi, supra 11.

¹⁷Ahed, supra 13.

¹⁸Ababneh, S. (2018, June 30). "Do You Know Who Governs Us? The Damned Monetary Fund: Jordan's June 2018 Uprising". The Middle East Research and Information Project. Retrieved on April 30, 2019 from: <https://merip.org/2018/06/do-you-know-who-governs-us-the-damned-monetary-fund/>

In Al-Salt, citizens held a sit-out in a public space near the grand mosque of the city in the months leading up to the strike. The Fourth Circle sit-out persisted over eight consecutive nights. On June 7, the eighth night of the sit-out and the day following the second strike, the newly appointed prime minister announced the withdrawal of the proposed bill and restoration of fuel prices.

The mobilizations led by the council together with the popular actions that took place in June were dubbed by different sources as the '4th Circle Strike,' June Uprising,' 'Ramadan Uprising,' 'Hirak Maa'nash' (حراك معناش), and 'Jordan's 2018 National Strike.'

INFLUENCING FACTORS AND TRANSFORMATIVE MOMENTS

The contextual factors influencing the actions and reactions surrounding the income tax draft bill are both historical and immediate. The historical aspects are rooted in accumulative neoliberal policies that Jordan has witnessed since the 1980s leading to recent austerity measures, as laid out in an interesting article by Sarah Ababneh¹⁹. Additionally, the refugee emergency, along with closed borders, especially with Syria, further aggravated the severity of the economic crisis. But, perhaps one of the most immediate influencing factors was the board elections of the JEA.

In May 2018, a new electoral list of left-leaning and independent candidates that was formed several months before the elections won and for the first time in 26 years ousted the Islamists from the leadership of the syndicate. Only three weeks following this major shift in Jordan's largest member-based organization representing approximately 150,000 engineers, the new income tax draft bill was announced. The previous leadership of the syndicate had been losing ground for several years, with one of the key criticisms being their lack of prioritizing members' interests. In their manifesto, the new list promised better representation of engineers' interests, whereas engineers (as individuals and companies) were one of the sectors that would be affected by the new taxation framework. Expectations were high, and the tax proposal became a real test for the new leadership of the JEA to maintain the voters' confidence and begin delivering on their promises. In turn, the newly elected board of the JEA mobilized its general assembly members across 11 branches nationally to secure a high member participation percentage in the strike.

These dynamics partly explain why the JEA was one of the primary driving forces behind the strike and its persistence on the non-cooperation strategy despite hesitation by some other council members at various points in the process.

POLICY OUTCOME

Following the success of the May/June mobilizations discussed under the Strategies and Tactics section above, two demands were met. Firstly, the dissolved government headed by Hani Al-Mulqi was replaced by a new government under the leadership of Omar Razzaz, a former World Bank official and minister of education at the time. The newly appointed prime minister withdrew the bill and promised to open the proposal for national dialogue and community consultations. Secondly, the hike in fuel prices, which sparked the popular protests parallel to the strike, was rescinded.

However, following consultations, the revised bill was passed by parliament in November 2018. The revised bill was heavily criticized on the basis that it made no substantial amendments from the May proposal and that the new government is an extension of the same neoliberal political apparatus as its predecessors.

People protested in modest numbers and without support from the syndicates or any institutional protection, unlike the June mobilizations, which rendered protesters more vulnerable to policing measures. The new income tax bill became effective as of January 2019.

CONCLUSION AND LESSONS LEARNED

Jordanians have witnessed governments changing hands one after the other for decades without substantive change in redressing their daily concerns. The regime has overused 'government dissolution' as a diversion tactic from the real issues²⁰. Despite public awareness of this diversion, it almost always succeeds in diffusing anger. Some wonder whether the regime's success could be attributed to the absence of a consolidated and representative political opposition in Jordan that is capable of sustaining and leading reform strategies on a national level.

The council's voice as a single, unified unit was critical in making the modest impact it had. It operated as a representative and consolidated body with realistic demands. The council did not change its position when faced with more radical demands, despite the pressure it felt from the popular mobilizations, including criticisms that the strike was centered on middle-class interests²¹. At the same time, the middle class in Jordan is slowly disappearing and is by no means financially stable. The direct impact felt by normally politically un-engaged citizens like small business owners, professional service providers and the like is what led new segments to partake in the mobilizations. In the midst of competing perspectives, the council persisted to promote a single, achievable and realistic objective, because "at the end of the day, even though we might have radical inclinations on a personal level, in our official capacity we represent our members and this poses a reality check on what we can and cannot do politically as syndicates."²²

The reason why the council did not renew its efforts to oppose the bill in November is explained by the fact that it called for dialogue and the new government heeded the demand. The council was subsequently a party to the negotiations and was the main driver behind the modest amendments made to the revised bill, according to the president of the JEA. The council seems to have expected parliament to carry the second phase of revisions so that less austere tax legislation was passed. However, the disappointing results of the negotiations were "perceived as a retreat from the root of the problem that prompted thousands to join the strike in May."²³ What was perceived as a retreat seems to have raised questions about the intentions of the council, leaving citizens and activists with a sense of bitterness. In retrospect, Al Zoubi reflects that it was a mistake to leave some of the requested amendments for parliament to pursue, explaining that "On reflection, the Council should have persisted in the negotiations until all concerns were addressed."²⁴

Time and time again, Jordanian civil society has employed innovative and earnest approaches to achieve social change and impact policy-making, from resisting a multi-billion dollar gas deal with Israel to opposing IMF-backed austerity measures. Change seems more attainable when policy questions are less controversial or where power relations are localized. Decision-making around policies that involve high-stakes and entail multi-dimensional power relations seems less amenable to civil society influence. Are those decisions predetermined, or are they responsive? If they are not predetermined, then in which pillar(s) of the regime must civil society attempt a power shift in order to achieve substantial social change?

¹⁹Ibid.



²⁰Obeidat, S. (2018, June 26). "نهج الحكم العتيق: ماذا تعني المطالبة بتغييره؟" [The Ancient Governance Scheme: What does it mean to demand a change in approach?]. 7iber. Retrieved on May 5, 2019 from: <https://www.7iber.com/politics-economics/what-does-it-mean-to-demand-a-change-in-approach/>

²¹Ali, D. and Jarrar, S., *supra* 3.

²²Al-Zubi, *supra* 11.

²³Ahed, *supra* 13.

²⁴Al-Zubi, *supra* 11

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ACRONYMS AND ABBREVIATIONS

JEA: Jordan Engineers Association

IMF: International Monetary Fund

INTERVIEWS

Hala Ahed (2019, May 12). *Lawyer and human rights defender. Personal interview by video chat.*

Ahmad Samara Al-Zubi (2019, Feb 26). *President of the Jordan Engineers' Association. In-person interview.*

BREAKING THE MOLD PROJECT

In mid- 2018, the “Civil Society Actors and Policymaking in the Arab World” program at IFI, with the support of Open Society Foundations, launched the second round of its extended research project “Arab Civil Society Actors and their Quest to Influence Policy-Making”. This project mapped and analyzed the attempts of Arab civil society, in all its orientations, structures, and differences, to influence public policy across a variety of domains. This research produced 92 case studies outlining the role of civil society in impacting political, social, economic, gender, educational, health-related, and environmental policies in ten Arab countries: Lebanon, Syria, Palestine, Jordan, Egypt, Morocco, Tunisia, Yemen, and the Arab Gulf.

Over two dozen researchers and research groups from the above countries participated in this project, which was conducted over a year and a half. The results were reviewed by an advisory committee for methodology to ensure alignment with the project’s goals, and were presented by the researchers in various themed sessions over the course of the two days.








THE CIVIL SOCIETY ACTORS AND POLICY-MAKING PROGRAM

at the Issam Fares Institute for Public Policy and International Affairs at AUB, examines the role that civil society actors play in shaping and making policy. Specifically, the program focuses on the following aspects: how civil society actors organize themselves into advocacy coalitions; how policy networks are formed to influence policy processes and outcomes; and how policy research institutes contribute their research into policy. The program also explores the media’s expanding role, which some claim has catalyzed the Uprisings throughout the region.

THE ISSAM FARES INSTITUTE FOR PUBLIC POLICY AND INTERNATIONAL AFFAIRS AT THE AMERICAN UNIVERSITY OF BEIRUT

The Issam Fares Institute for Public Policy and International Affairs (IFI) at the American University of Beirut (AUB) is an independent, research-based, policy oriented institute. It aims to initiate and develop policy-relevant research in and about the Arab region. The Institute is committed to expanding and deepening knowledge production and to creating a space for the interdisciplinary exchange of ideas among researchers, civil society actors, and policy makers.

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