Implications of Religious Tourism Planning on Makkah Residents
A Critical Analysis of the Land Expropriation Process

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Abstract
The city of Makkah, a symbol for Islam and the destination for Muslims all over the world, receives over 9 million pilgrims each year, 3 million of which arrive in the city at once for the annual Hajj. The persistent flow of pilgrims into the city has placed pressure on the government to expand Makkah’s infrastructure capacity. It has also attracted major private developments to the city’s core, including retail malls, serviced apartments and commercial high-rises. Such emphasis on tourism planning and development has had significant implications on Makkah’s residents, many of whom have been displaced by recent developments. Hence, the purpose of this study is to examine the impact of Makkah’s trajectory of development, specifically in the application of the land expropriation policy, on the city’s resident community, both nationals and foreign immigrants.
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ABBAM
Al Balad Al Ameen, the investment arm of the Makkah Municipality, established in 2009, and responsible for carrying out planning and execution of the redevelopment program, including the King Abdulaziz Al Saud Road, slum redevelopment and others.

Al Mashaer
The three sacred sites of Hajj; Arafat, Muzdalifah and Mina.

Arafat
Also known as Mount Arafat, is a hill on the south east edge of Makkah. According to Islamic tradition, it is the place where the Prophet Mohammad stood and delivered his farewell sermon towards the end of his life. Hajj pilgrims spend the 9th day of the final month of the Islamic calendar in Arafat, until sunset, before they move on to Muzdalifah.

DCOMM

Hajj
An annual Islamic pilgrimage to Mecca and a religious duty for Muslims that must be carried out at least once in their lifetime by all adult Muslims who are physically and financially capable of undertaking the journey, and can support their family during their absence. Hajj occurs during the final month of the Islamic calendar, and includes 4 stops, starting in Arafat, then Muzdalifah, then Mina, and finally the Grand Mosque.

Mina
The valley of Mina is the third stop for Hajj pilgrims before entering the Grand Mosque. Following an overnight stay in Muzdalifah, pilgrims move to Mina, which houses over 100,000 tents, to spend the 3 final days of the Hajj.

Muzdalifah
An open and level area on the route between Arafat and Mina. After spending a day in Arafat, Hajj pilgrims visit Muzdalifah, where they collect pebbles which are used for the stoning of the devil, a symbolic ritual that is completed over a period of 3 days in Mina. Pilgrims spend the night in Muzdalifah, and then head to Mina the next morning.

Umrah
A pilgrimage to Makkah that can be performed by Muslims any time of the year. Unlike the Hajj, Umrah only requires pilgrims to visit the Grand Mosque.
INTRODUCTION

The city of Makkah has been a destination for traders, pilgrims and immigrants for as long as the city has existed. As a symbol for Islam, the city not only bolsters Saudi Arabia’s political legitimacy, its status opens the country’s borders to the world’s entire Muslim population. This context translates to an annual influx totaling over 9 million pilgrims, into a city with a total resident population of 1.6 million people.¹ It has also resulted in the prevalence of immigrant communities, exceeding 45% of the total population, as many pilgrims choose to live and work in the city after completing their Hajj.

With overwhelming demand for improved capacity and services, city planning has responded by overhauling large portions of land to accommodate its incoming visitors. In the period 2012-2015 alone, more than 17,000² homes have already been cleared to service projects such as expansion of religious sites, development of hospitality districts, and construction of transportation infrastructure.

Current and planned development have attracted significant local and international criticism, which have mostly centered around the impact of development on religious sites and the religious experience, including: 1) the commercialization of Islamic holy sites to the benefit of real estate development³; 2) the separation of pilgrimages across class lines, with rich visitors residing in high rises away from the poor⁴; 3) the demolition of historic landmarks, such as the 18th-century Ottoman fortress⁵; and 4) the assembly of “architectural absurdities” encircling the Grand Mosque, such as the kitsch rendition of London’s Big Ben, named the Makkah Clock Tower.⁶ While each of these claims requires further study, the discussion about how city planning and development are affecting or failing the resident community and the city’s overall physical and socioeconomic formation remains lacking.

Accordingly, this thesis will examine the current process for land expropriation as one of the major elements of the urban redevelopment program that is confronting the resident community. Focus will be on residents of informal areas, which are at the forefront of redevelopment. And as informal neighborhoods have a large concentration of immigrant communities, residency and immigration policies will be critical to this analysis. Hence,
the study will also include a case study of one of the largest immigrant communities in the city, the Burmese, as it offers a useful precedent for bottom-up integration that can inform future policies towards immigrants in the city and the country.

Additionally, due to the income levels of residents in informal neighborhoods, the study will incorporate analysis of housing affordability as well as municipal and national housing programs. A case study of Wahat Makkah, the single affordable housing project in the city, will be included to examine some of the policy challenges that are preventing delivery of affordable units to low-income residents.

In summary, this thesis finds that the implications of the city’s accomplishment of a rapid and aggressive program of physical upgrades have been a laxity in the development and enforcement of a robust regulatory infrastructure that addresses the needs of its residents. To date, all redevelopment projects (completed or planned) are located within the city’s core and overlap with densely built neighborhoods. Hence, securing land requires the use of land expropriation on a significant proportion of the city. The challenge of this approach to development is threefold; first, the current design of the land expropriation process does not accommodate the socioeconomic reality of the residents it displaces. Second, land expropriation proceeds despite absence of any long-term planning for displaced communities in the city (citizens and immigrants), and third, implementation of redevelopment projects has started without progress in the provision of alternative solutions, such as affordable housing or public transit.

Saudi Arabia’s role as the custodian of the Holy Mosque places competing pressures on the government’s policy towards the city of Makkah. On the one hand, State commitment to accommodate the growing flow of Muslims results in amplified emphasis on the city’s physical development and the delivery of state of the art infrastructure and accommodations. On the other hand, State recognition of Makkah as a capital for the multi-national Muslim community weakens control over foreigner entry into the city. Therefore, while the government often opts to turn a blind eye to illegal immigrant communities in the country, it has yet to claim responsibility for their full integration and wellbeing. However, the wholesale displacement of immigrants is urging the issue to the fore and challenging Saudi Arabia’s tradition of maintaining its policy of disregard.

Additionally, weak governance at the Municipal level is a critical element in enabling unregulated private sector development. Municipalities have no authority to enforce taxes on residents (property, income, or other), and all public services and utilities are subsidized by the federal government. Additionally, budget allocations to municipalities are determined based on population size and projects. This governance framework has created a culture that favors market-based policy design, as the municipality receives no revenue from its residents, and relies on the private sector for the accomplishment of

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7 Al Hathloul, Saleh, Aslam Mughal, Muhammad (2003), Urban Growth Management – the Saudi Experience, Habitat International
development projects. Hence policy remains oriented towards promoting profit generation, rather than safeguarding local interests.

A thoughtful discussion of the land expropriation process is critical considering the scope of development that is planned in Makkah, which has and will continue to produce massive displacement of communities that are inherently marginalized. The analysis is also pertinent beyond Makkah considering the pervasive use of land expropriation and urban renewal solutions in the country, as well as neighboring states. Additionally, the redevelopment program in Makkah has inadvertently uncovered the chronic immigration challenge confronting the city. It also highlights the need for a proactive plan that is able to address ingrained policy challenges impeding the socioeconomic integration of resident immigrants. And while the vantage point offered here is mainly informed by the reality in Makkah’s urban development process, it attempts to engage a larger discussion of proactive integration of low income and immigrant communities in urban centers, from Paris to Dubai.
CHAPTER 1: LITERATURE REVIEW

This study is concerned with the implications of religious tourism planning and development on residents of informal neighborhoods in the city of Makkah, both citizens and non-citizens. Therefore, this study will draw on the following bodies of literature: 1) Mega Event Planning, 2) Entrepreneurial governance, and 3) Informality and immigration.

The perspective offered in studies examining mega-events, are more pertinent to this research than those solely concerned with religious tourism planning because they deal with similar processes and magnitudes, whether in relation to time, space or population. While Makkah receives visitors all year round, the concentration of pilgrims is highest during the Hajj season, almost 3 million, and lasts only a few days. Hence, planning is skewed by this brief influx to ensure that the city’s maximum capacity accommodates a population of visitors that only remains in the city a fraction of the year. Such an approach to planning is distinct and has particular repercussions on the city, which are less pronounced in planning scenarios that do not have to solve for such large and temporary capacity needs. It also reflects directly onto the city’s mode of governance, in which partnership with the private sector is emphasized as a mechanism for rapid accomplishing the redevelopment program. Additionally, the enquiry into the relationship between planning, informality and immigration is critical, considering the literal overlap between areas proposed for redevelopment in Makkah and informal neighborhoods, as well as the proportion of immigrant communities living in these neighborhoods.

Mega Event Planning

The spectrum of sites and events that qualify as destinations for “religious tourism” includes a wide selection varying in size and permanence; from daily visits to a local church, to long distance pilgrimages lasting days or weeks. Each of these instances translates to a corresponding myriad of planning interventions that influence the physical form of a neighborhood or a city. However, for the purposes of this paper, a more pertinent comparison are cities and sites that host “mega events” (religious or secular) accommodating a large influx of visitors, and require major physical and infrastructure upgrades. This classification draws on a definition offered by Maurice Roche, which provides the general characteristics of mega-events that guide this research:

Mega-events (large scale leisure and tourism events such as Olympic Games and World Fairs) are short-term events with long-term consequences for the cities that stage them. They are associated with the creation of infrastructure and event facilities often carrying long-term debt and always requiring long-term use programming. In addition, if successful, they project a new (or renewed) and perhaps persistent and positive image and identity for the host city through national and international media, particularly TV coverage. This is usually assumed
to have long-term positive consequences in terms of tourism, industrial relocation, and inward investments.\(^8\)

A recurring challenge with such developments is in the implications they pose on planning. Developments servicing mega-events are often concerned with immediate results for a specific site, and do not necessarily offer long-term or incremental solutions for the city, or for areas that lie outside of the site in focus. Greene states:

> Since mega-events bring increased attention to host cities, they often inspire municipal or national governments to improve the appearance of the host city, usually on a very condensed timeframe. Under the logic of event-oriented development, the visibility of poverty becomes paramount in renewal schemes, and preparations often involve removing the poor from high-profile areas surrounding event venues, without significant attention to long-term solutions to slum problems. \(^9\)

His study was preoccupied with the impact of planning mega events on low income communities and informal settlement, examining two case studies: the 1988 Summer Olympics Games in Seoul and the 500\(^{th}\) Anniversary of Columbus’ voyage in Santo Domingo in 1992. Greene found that event-oriented planning resulted in the exacerbation of urban dualism and segregation, which will be discussed further in the following sections.

**Entrepreneurial Governance**

Towards the accomplishment of such mega development projects, the public sector has become progressively postured towards the neoliberal order, “premised on the extension of market relationships”\(^10\) and the adoption of entrepreneurial strategies that were traditionally synonymous with the private sector. David Harvey offers a useful characterization of this change in the approach to development as a shift from managerialism to entrepreneurialism. Harvey defines this type of governance as undertaking high-risk projects, utilizing innovative financing structures, and preoccupied with promoting development, employment and growth.\(^11\) He considers this emphasis as a divergence from welfare driven managerial practices that focus on the provision of services and benefits to the local population; or as David Wilson described it “policy supplants redistributive for competitive pursuits.”\(^12\) Additionally, Harvey argues that transformation in the objectives of governance is also altering the underlying structures within which the public sector operates. Governments today are engaging in public-private partnerships and setting up quasi government agencies as a mechanism for realizing projects that could not be undertaken by traditional government structures.

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8 Roche, Maurice (1994). Mega-Events and Urban Policy, Annals of Tourism Research
9 Greene, Solomon J (2003), Staged Cities: Mega Events, Slum Clearance and Global Capital, Yale Law School
10 Larner, Wendy (2000), Neo-Liberalism: Policy, Ideology, Governmentality, University of Toronto
11 Harvey, David (1973) From Managerialism to Entrepreneurialism: The Transformation of Urban Governance in Late Capitalism
12 Wilson, David (2013), Toward a Contingent Neoliberalism, University of Illinois
Swapna Banerjee-Guha echoes Harvey’s perspective in her study of planning and development in Mumbai. The contemporary Marxian interpretation of the entrepreneurial city suggests that the contemporary neoliberal urban political arena gets ever more influenced by powerful business interest through public-private partnership, much less concerned with wealth distribution and welfare, particularly interested in ‘signature projects’ to enhance the imageability of the city and finally, is driven by the political economy of ‘place’ rather than ‘territory.’

She also argues that neoliberal urbanism is producing an economic restructuring founded on the relaxation of land acquisition policies and strict labor controls. It is also placing explicit constraints on municipal planning as it becomes preoccupied with rapid conversion of land use and the infinite sanctioning of construction projects. “A larger restructuring of the economic system and a resultant transformation of urban form and the built environment constitute the basis of this new urbanism.”

**Informality and Immigration**
The main features of the new generation of urbanism discussed above include a homogenization of development driven by narrow and simplified visions for the city; and a socioeconomic polarization of the resident community. Banerjee-Guha argues that these two features undermine the complexity of urban life and overlook the reality of the resident majority and their right to the city. Although development is often posited as addressing urban irregularity and slum conditions, its output produces no solutions that are inclusive of residents of those areas. Rather, urban renewal strategies often result in the creation of new slums. Hence, the view of informality as the “object” of planning and development is reversed. Ananya Roy states, “informality must be understood not as the object of state regulation but rather as produced by the state itself.” The rationale here is that planning creates a physical separation between the planned and the unplanned, manifested through the direct expulsion or exclusion of communities, the lack of affordability, or the confinement of upgrading policies to spatial and physical improvements without addressing community socioeconomic needs.

Jacobs iterates a similar perspective in her discussion of slum clearance policies, which she believes only succeed in creating new slums elsewhere. Jacobs argues that communities in slum areas seek self-improvement and need public assistance to do it. Their vulnerability makes them ill-equipped to deal with disruption and the added hardship of expulsion and relocation. Further, she endorses approaches that can reverse the slumming process, while still recognizing them as part of the city.

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13 Banerjee-Guha, Swapna (2010), Revisiting Accumulation by Dispossession: Neoliberalising Mumbai
14 Banerjee-Guha, Swapna (2010), Revisiting Accumulation by Dispossession: Neoliberalising Mumbai
The processes that occur in unslumming depend on the fact that a metropolitan economy, if it is working well, is constantly transforming many poor people into middle-class people, many illiterate into skilled (or even educated) people, many greenhorns into competent citizens.\(^{16}\)

Another form of exclusion is manifested in state and municipal policies related to immigrant communities. As Sassen points out, immigrants are leading actors in the creation of informal economies.

The centrality of place in a context of global processes engenders a transnational economic and political opening in the formation of new claims and hence in the constitution of entitlements—notably, rights to place—and ultimately in the constitution of new forms of “citizenship” and the diversifying of citizenship practices.\(^{17}\)

Irrespective of the motives attracting immigrant flow, the mere presence of immigrant communities in informal economies speaks to an inherent conflict between national policies that are allowing immigrant entry, and those that aim to exclude them.\(^{18}\) “[T]he state itself seems unable to make up its own mind where it stands on the matter.”\(^{19}\) And in the same way that slum clearance policies are pursued as a solution for informal neighborhoods, states have traditionally practiced punitive approaches for the elimination of illegal immigrants. However, Grabiner’s discussion of informal economies in London demonstrates the cost and difficulty of successfully enforcing such policies. He argues for the need for a regulatory shift from being entirely eradication-oriented to a more integration-oriented framework that aims to assist individuals and informal enterprises to join the formal economy.\(^{20}\)

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16 Jacobs, Jane (1961), The Death and Life of Great American Cities, Vantage Books
17 Sassen, Saskia (2007), A Sociology of Globalization, Columbia University
18 Castells M (2000), End of Millennium: Vol III The Information Age: Economy, Society and Culture
19 Trevor Jones, Monder Ram and Monder Ram, Illegal Immigrants and the Informal Economy: Worker and Employer Experiences in the Asian Underground Economy, De Montfort university, University of Warwick
CHAPTER 2: METHODOLOGY

The purpose of this research is to survey the impact of Makkah’s tourism planning and redevelopment on its resident population. Specifically, analysis will focus on the implications of the land expropriation policy, considering the amount of land that has been designated for redevelopment in the city. Accordingly, research will be structured to answer four questions: 1) What is the trajectory of development in Makkah? 2) What are the opportunities and barriers of the socioeconomic makeup of the city’s resident population? 3) What are measurable impacts of development on Makkah’s residents? And finally, 4) What are the opportunities and areas for intervention?

Research Methods

The methods used to investigate these four questions will include policy and market analysis, interviews and site visits.

Policy Analysis

The study of local and regional plans produced by the Principality and Municipality of Makkah will provide insight into the priorities adopted by the local government in leading future development, as well as proposed solutions for displacement and integration of residents. This will include the Comprehensive Plan produced by DCOMM in 2011, and the Slum Development Strategy produced by the Municipality in 2013. These documents also provide official estimates for population and tourism growth in the city.

In addition to local plans, analysis will also examine national regulations and policies produced by the executive branch, including the Ministry of Justice, Ministry of Interior, Ministry of Labor and Ministry of Housing. Relevant policies for review include: the Land Expropriation Law, the Property Ownership Law, the Residency Law and the Saudization Program (Nitaqat) and the National Housing Program. Analysis of these policies will aim to identify points of conflict between these policies and the development program.

Market Analysis

Analysis of market trends in development will evaluate progress in the implementation of local and regional plans including, infrastructure, hospitality, residential, and transportation development. It will also offer an estimate of the physical scale of current and upcoming redevelopment projects, in order to measure the scope of land expropriation in the city. Data will be collected through company and market reports produced by developers and real estate firms.

Analysis will also include a segmentation of housing supply and demand. This is critical considering the substantial loss of housing resulting from land clearance, and the surge of demand that is created by displacement. Market analysis will include, government and company data of housing supply, market reports of housing costs, and public data of income levels at the city and neighborhood levels.
Interviews
Input from policy makers, such as members of Makkah’s City Government, including the Mayor, the planning department, and Al Balad Al Ameen, provides an update on developments in Makkah and the processes behind the design and implementation of the Comprehensive Plan. They also offer insight into the bureaucratic challenges facing regulatory reforms.

Interviews also include members of the private and nonprofit sectors, such as developers, financing institutions, and industry specialists focused on real estate market trends, and the processes propelling the implementation of redevelopment projects.

Lastly, interviews include residents of informal neighborhoods, those who previously lived in neighborhoods that have been cleared (e.g. Al Hindawiya) and those living in neighborhoods that are anticipating eminent eviction (e.g. Al Sharashif and Al Nakkasah) in order to understand the impact of redevelopment on local residents.

Site Visits
Visits to informal neighborhoods allowed for direct documentation of social and economic transformation resulting from redevelopment, such as increases in property value, and shrinkage or growth in size of the resident population. Three informal neighborhoods were chosen for this analysis: Al Hindawiya, which has been razed entirely for the construction of the King Abdulaziz Al Saud Road, Al Sharashif Mountain (Al Sharashif) which is in the process of evicting residents in order to redevelop the area into a master planned hospitality district, and Qoz Al Nakkasah (Al Nakkasah), which has undergone some demolition, with no indication on timeline for full eviction. Additionally, these three neighborhoods are designated for projects lead by the Municipality. This study will not discuss projects lead by the private sector.

Data Source
Three main sources provided data for this analysis. First, the national census produced by the Saudi Central Department of Statistics and Information (CDSI), which includes records on demographics and housing. Second, the 2009 and 2011 Comprehensive Master Plan for Makkah and Al Mashaer produced by the Development Commission of Makkah and Al Mashaer (DCOMM), which includes comprehensive statistics on city demographics, tourism growth, sector specific data including housing supply, demand, typologies and prices, as well as other relevant socioeconomic data. Additionally, DCOMM provided GIS data, which was used for the creation of all maps in this study. Finally, Al Balad Al Ameen

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21 Al Hindawiya is a large neighborhood south of Umm Al Qura highway, located between Al Mansour and Al Rawda. The analysis conducted in this research concerns a small proportion of the neighborhood that lies adjacent to Mansour Street on the East. It also includes a portion of Al Mansour neighborhood that lies on the opposite side of Mansour Street. For the purposes of this study, the area will be referred to as Al Hindawiya only.
Development and Urban Regeneration Company, the investment arm of the Makkah Municipality, provided project reports and survey data of informal neighborhoods.

**Research Limitations**

Given the timeframe within which fieldwork and data collection took place, several limitations emerged in this research. First, although meetings with public departments were organized through the Mayor’s office and the Umm Al Qura University, many officials were reserved in providing information or discussing the sensitives surrounding land expropriation.

Second, interviews with residents had to be organized through local agencies, such as the Burmese Community Boards within informal neighborhoods. Their facilitation was necessary in order to overcome cultural sensitivities around interacting with a woman, fear of speaking with individuals who might be associated with the government, and concerns over privacy. The Community Boards provided a platform for meetings with community members that was both safe and legitimate. Yet, relying on Community Boards restricted interviews to male community members, a majority of whom were of Burmese or Bengali ethnicities. Only few of the participants were women or from other ethnicities, including Arab and Nigerian.

Finally, documents provided by the Municipality and Al Balad Al Ameen were incomplete and therefore, some data and information was missing. Additionally, one of the most important data sources, Ektefaa, a non-profit organization conducting surveys within informal neighborhoods, only issued approval for me to access their data following my return to the States. This approval is conditional on my physical presence in their offices, as they do not provide data over email. Hence, instead of the raw data, analysis relied on Ektefaa reports summarizing their findings.
CHAPTER 3: TRAJECTORY OF REDEVELOPMENT

Makkah’s Urban Landscape

The city of Makkah spreads over a total area of 414,009 hectares (1,598 square miles), equivalent to 3 times the area of New York City, estimated at 121,444 hectares (469 square miles). Expanding radially, the city is divided by ring roads into 4 districts, with density being highest within the Central District (300 persons per hectare), and gradually decreases towards the city’s edge. Accordingly, the city’s built area extends from the center to a little beyond the 3rd Ring Road District, which in total constitutes less than 30% of the entire size of the city.

Makkah’s primary landmark, the Grand Mosque, is located within the Central District, along with the majority of commercial activity (hotels, serviced apartments, retail malls...etc.). The three other sacred sites, Mina, Muzdalifah and Arafat, also referred to as Al Mashaer, are located on the southeastern side of the Central District. While Al Mashaer sites constitute almost 2% of the city’s built area, it is completely dormant most of the year. Al Mashaer only operate a few days during the annual Hajj, and all accommodations for Hajj pilgrims are provided by the City either on site or within the vicinity of Al Mashaer. Hence, the area does not attract hospitality or commercial services like the Grand Mosque. Still, due to the enormous flow of pilgrims during the annual Hajj, these sites undergo annual transportation upgrading, maintenance and development. Beyond the Central District, commercial and retail uses can also be found along major roadways. Public facilities and institutions are more dispersed due to the prevalence of schools and mosques within residential neighborhoods. Parks, public spaces, industrial and agricultural land are all limited, and are mostly found on the city’s periphery.

The Municipality categorizes most districts that lie beyond the city’s core as either planned or informal residential neighborhoods. Planned neighborhoods are primarily located within the 3rd and 4th Ring Road Districts. Housing within these neighborhoods is owner occupied and have full access to roads, utilities and services. Conversely, informal neighborhoods, which constitute over 60% of the city’s total built area, are largely concentrated within the 2nd Ring Road District (they were previously also prevalent within the Central District, however the area has mostly been demolished). Informal neighborhoods are densely built and often lack access to services. Much of the housing is constructed without permits and do not abide by the Building Code. Informal neighborhoods are ethnically segregated; however, within each ethnic group is a blend of citizenship holders, immigrant workers, and undocumented residents. Similarly, the languages spoken correspond to the ethnic identity of each neighborhood, yet Arabic remains the official language, especially in the education curriculum used in local schools (public, private and non-profit).

24 DCOMM, 2011, Housing Plan
25 DCOMM, 2011, Housing Plan
<table>
<thead>
<tr>
<th>Districts</th>
<th>Total Land Area (Ha)</th>
<th>Proportion of the City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central District</td>
<td>554</td>
<td>0.13%</td>
</tr>
<tr>
<td>2nd Ring Road District</td>
<td>5,318</td>
<td>1.28%</td>
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<tr>
<td>3rd Ring Road District</td>
<td>21,963</td>
<td>5.30%</td>
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<tr>
<td>4th Ring Road District</td>
<td>91,113</td>
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<tr>
<td>Beyond Urban Growth Boundary</td>
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<td>71.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>414,009</strong></td>
<td></td>
</tr>
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</table>

**Caption 2 Gross Area**

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26 Jawaher Al Sudairy Maps (2015), Makkah City Territory based on DCOMM Data
27 DCOMM, Development & Growth Strategy, Appendix Table B.2
Caption 3 Makkah Built Territory

28 Jawaher Al Sudairy Maps (2015), Makkah Built Territory based on DCOMM Data
Informal Areas

Caption 4 Informal Areas

29 Jawaher Al Sudairy Maps (2015), Informal Areas based on DCOMM Data
**Planning and Development**

Public investment in the expansion and maintenance of the Grand Mosque and Al Mashaer has been a long lasting commitment throughout the history of the Saudi government. However, this investment remained limited to the holy sites, with almost no planning for overall growth in the city. Since the appointment of HRH Prince Khalid Al Faisal as governor of Makkah Province in 2007, a new approach to the city’s development came into place. A Comprehensive Plan, under the Development Commission of the Makkah Almukarama and Almashaer Almuqadasa (DCOMM) was completed in 2011, which aims to address all sectors of the city’s urban development from 2011-2040, including the holy sites, housing, transportation, hospitality and utilities. The Comprehensive Plan replaces all previous municipal plans, and builds on existing provincial and regional plans. Additionally, the Municipality established Al Balad Al Ameen by Royal Decree as an investment arm, with total capital of $ 320 million (SAR 1.2 Billion). Al Balad Al Ameen is responsible for carrying out specific mega projects within the city pertaining to transportation, hospitality, housing and slum development.

According to the Comprehensive Plan, Makkah today has a resident population of over 1.6 million people, and receives a total of 6.3 million Umrah pilgrims, and almost 3 million Hajj pilgrims, adding up to 9.3 million annual visitors. In 2040, the resident population is expected to increase to over 3 million people, and tourism flows are projected to grow to 10.8 million Umrah visitors and 4 million Hajj visitors. The estimates for growth in Hajj pilgrims are based on the maximum capacity that can be contained in one of the Hajj sites in Makkah, Arafat, which cannot receive more than 4 million people at once. However, the estimates for Umrah visitors are unrestricted.

The future growth in visitor and resident populations provides the rationale for recent projects that have been launched by the municipality and the private sector. The DCOMM Comprehensive Plan offers useful estimates for the anticipated capacity needs and upgrades across all sectors, especially in holy sites, transportation, hospitality, housing and slum development. Although the DCOMM Comprehensive Plan does not guide all of development in Makkah today, it offers a practical understanding of what needs and priorities have been defined by local leadership.

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30 Asharq Al-Awsat (2015), Saudi King Orders Major Cabinet Shake-up - http://www.aawsat.net/2015/01/article55340973/saudi-king-orders-major-cabinet-shake-up
31 DCOMM, 2013
33 Al Balad Al Ameen
34 DCOMM (2011), Comprehensive Plan
At least 10 mega-projects (private and public) have been launched to date, the majority of which are located within the city and overlap with densely built neighborhoods. If completed, these projects are expected to significantly alter the city’s urban landscape, especially considering the territory that has been or will be razed in the process. In the period between 2012-2015, the city has already witnessed the demolition of over 17,000 buildings to make way for planned mega projects. These include the expansion of the Grand Mosque, several hospitality developments, and some market rate permanent housing. Additionally, the projects will result in significant road construction and upgrades as well as an inter-city rail between Jeddah, Makkah, Medinah and Rabigh (Al Haramain Rail). Although there are plans for affordable housing and public transit, there has been no real progress on either front.

<table>
<thead>
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<th>Planned</th>
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<tr>
<td>Hospitality</td>
<td>Hotels</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Seasonal Housing</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Housing</td>
<td>Market Rate</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Affordable</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Transportation</td>
<td>Roads</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Public Transit</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

36 DCOMM, 2013, Development & Growth Strategy
37 JLL, 2015, Saudi Arabia Real Estate Market Assessment Report
38 Jawaher Al Sudairy (2015), Analysis
Expansion of the Grand Mosque
The latest expansion of the Grand Mosque will soon see the addition of 400,000 square meters (4,305,564 square feet), which will double its size to almost 800,000 square meters (8,611,128 square feet), to become the largest religious structure in the world. While the expansion project is still ongoing, and pilgrims have yet to access the new sections, however, once completed the Mosque will be able to accommodate an estimate 1,200,000 pilgrims (at minimum), as opposed to its current capacity of 600,000 pilgrims.

This expansion allows the city to not only accommodate a larger proportion of Hajj pilgrims, but also increases the Mosque’s capacity to receive visitors year around.

Transportation Development:
Transportation development and upgrades is the second highest priority program for the Municipality, going hand-in-hand with the expansion of the Mosque and Al Mashaeer. This program includes extensive development of the road network, including the expansion of the Umm Al Qura Highway running westward towards Jeddah (soon to be named the King Abdulaziz Al Saud Road, KAAR), completion of the four ring roads, as well as upgrading main roadways within the city, such as Mansour Street. Road upgrades and construction is already ongoing, including KAAR, which is the largest of the road projects.

In mass transit, the city has so far only constructed Phase 1 of the planned Makkah Mass Rail Transit network, the Al Mashaer Al Mugaddassah Metro Line, which connects the 3 Hajj sites with the Grand Mosque. In 2012, the Saudi government approved $16.5 billion to build the remaining 4 metro lines (182 Kilometers / 113 Miles). Construction is expected to commence in 2016, and continue for 10 years. The city also has plans for Bus and BRT networks, however there have been no recent details on implementation.

Regionally, the Al Haramain High Speed Rail designed to run between the cities of Jeddah, Makkah, Medina and Rabigh, is in progress, and the Makkah station located in Al Rusaifah, within the 3rd Ring Road district, is almost completed.

41 DCOMM Executive, P. 9
Hospitality
The Comprehensive Plan identifies three categories of accommodations available to Makkah’s visitors: 1) Hotels and serviced apartments primarily located in the central district and along major corridors, 2) Seasonal housing, defined as apartments that are rented out during the Hajj and Ramadan seasons, and 3) Mina tents available for pilgrims during Hajj.

Beyond these three categories, it is worth noting that many of the residents who own property in Makkah are also accustomed to renting out rooms in their own homes or the entire property during high seasons, which forms a significant source of local household income. Some landlords have even designed a contract stipulating that long-term renters must evacuate during the month of Hajj. However, the Comprehensive Plan does not delineate home-stays among its breakdown of available accommodations or its projections for growth.

<table>
<thead>
<tr>
<th>Accommodation</th>
<th>Number of Beds (2010)</th>
<th>Number of Beds (2040)</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels</td>
<td>253,239</td>
<td>538,949</td>
<td>337,325</td>
</tr>
<tr>
<td>Serviced Apartments</td>
<td>42,633</td>
<td>90,732</td>
<td>56,788</td>
</tr>
<tr>
<td>Seasonal Rooms</td>
<td>1,244,920</td>
<td>2,649,466</td>
<td>1,658,286</td>
</tr>
<tr>
<td>Mina Tents</td>
<td>1,600,000</td>
<td>1,600,000</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>3,140,792</td>
<td>4,879,147</td>
<td>2,052,399</td>
</tr>
</tbody>
</table>

Caption 7 Existing and Future Accommodations

DCOMM’s estimate for existing accommodations in Makkah is 253,239 beds within 511 hotels and 42,633 beds in serviced apartments, 231,736 registered seasonal rooms with an average capacity of 5.2 beds per room, and 42,736 Mina tents each accommodating 32 beds. These combined translate to a total capacity of 3.15 million pilgrims. While this data does not indicate the breakdown of affordability, the supply is sufficient for current demand rates. The highest flow of pilgrims is during Hajj, which is still below 3 million people. Any Hajj pilgrims, especially those who come without authorization, cannot afford to rent any accommodations, and set up their own camps on the street. As for the rest of the year, the most pressing demand for accommodations is during the month of Ramadan, where maximum flow in the past 5 years was 800,000 visitors. Hence, over 70% of accommodations in the city are left empty throughout the year.

However, as Hajj pilgrims are set to grow to 4 million in the coming 25 years, DCOMM has determined that the city will need to increase its accommodation capacity by 2.05 million beds. Supply will be provided across all above mentioned categories, except for Mina

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45 Interviews, August 2014-January 2015
46 Hotel supply is greater than the difference because some hotels will be cleared due to recent development
47 No additional capacity in Mina
48 DCOMM, 2011, Housing Plan
49 DCOMM, Population
tents. Mina will be supported by additional accommodations within adjacent districts. Accordingly, several hospitality projects have been announced and are already underway. Within the Grand Mosque’s immediate vicinity (1 mile radius) the area is undergoing substantial transformation that is already resulting in a hospitality cluster (hotels, seasonal residences, shopping malls, restaurants...etc.). These projects include:

1. Jabal Ajyad development
2. Al Sharif Ghalib towers
3. King Abdul Aziz Endowment
4. Jabal Khandamah
5. Al Shamiyah development
6. Al Khandaresah
7. Jabal Omar Development
8. Al Khandaresah
9. Jabal Kabah development
10. King Abdul Aziz Road
11. Al Sharashif Mountain
12. Al Kidwa
13. Qoz Al Nakkasah

Recent estimates anticipate nearly 23,000 new quality hotel rooms are due for completion by 2019. Other hospitality projects located outside the boundaries of the central area of Makkah are expected to add around 8,700 hotel rooms to the market.  

50 JLL, 2015, Saudi Arabia Real Estate Market Assessment Report
Housing
The DCOMM housing plan estimates that with population growth the housing stock will need to grow from 263,000 units to almost 920,000 units. In addition to market rate housing, several affordable housing programs are also identified to address the supply gap for low-income segments and foreign immigrants. Policies set by Municipality and the Ministry of Housing indicate that the public sector is assuming responsibility for addressing the housing gap through the direct supply of homes, rather than addressing policy restrictions on private supply. Similarly, the Real Estate Development Fund under the Ministry of Housing remains the largest source of housing finance in the country.\footnote{Al Rajhi Capital (2013), Saudi Mortgage law - http://www.alrajhi-capital.com/en/research/Market/Mortgage%20law_Mar%202013_Final.pdf}

\footnote{Jawaher Al Sudairy Maps (2015), Major Developments}
The proposed breakdown of supply for the next 30 years includes 250,000 market rate and affordable Housing for Saudi nationals, at least 60,000 units for foreign workers, and 50,000 subsidized renter and owner occupied housing for low-income groups. Low income Saudi residents in informal areas can qualify for all categories except “Market rate Housing” and “Worker Accommodations.” Non-Saudi residents are not likely to qualify for any of these options, unless they are employed by the private sector, then they will be eligible for “Worker Accommodations.” Otherwise, the only housing available to them are market rate renter-occupied housing. The municipality has not indicated whether or not non-Saudi residents can qualify for the “Displace Residents Program.” (Caption 5) Additionally, the housing plan does not delineate a housing policy for foreign immigrants. To date, there has been no progress on public or displaced residents housing, and the only affordable housing that has come to the market is part of the Wahat Makkah project, a mixed income development that will result in 3,300 units (discussed in Chapter 5).53

Distribution of housing is included in most districts; however, the largest plan for permanent housing is in the Bawabat Makkah project, located 10 miles from the Central District and designed to accommodate 900,000 people. This neighborhood is intended to become a satellite city for residents, while central areas in Makkah will be predominantly geared towards tourism. Only one section of Bawabat Makkah has proceeded with implementation, which will be carried out through a partnership between Makkah Gateway Development, set up by Al Balad Al Ameen54, and a private developer, Sumou Holding. The Sumou development will provide 6,000 market-rate units, which is due for completion in 5 years.55

<table>
<thead>
<tr>
<th>Housing Category</th>
<th>Short-Term Supply by 2020</th>
<th>Final Supply by 2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market and Affordable Housing</td>
<td>100,000 units</td>
<td>250,000 units</td>
</tr>
<tr>
<td>Worker Accommodations Program</td>
<td>20,000 units</td>
<td>60,000 units</td>
</tr>
<tr>
<td>Public Housing Program</td>
<td>17,000 units</td>
<td>50,000 units</td>
</tr>
<tr>
<td>Displaced Resident Program</td>
<td>50,000 units</td>
<td>146,000 units</td>
</tr>
</tbody>
</table>

Caption 9 Future Housing Supply

Slum Redevelopment
One of the main components of Makkah’s redevelopment program aims to transform informal neighborhoods into master planned communities. “The Housing Plan recommends that informal areas be replaced with proper and appropriate housing, constructed according to the Saudi Building Code and with access to transportation, employment, community facilities, and open space.”56

56 DCOMM, 2011, Housing Plan
The first phase of the program has identified 5 neighborhoods (out of an approximate 65 neighborhoods) for full redevelopment: Al Sharashif Mountain, Qoz Al Nakasah, Al Kidwah, Al Zohour, and Al Khalidiya. These neighborhoods were prioritized due to their proximity to the Grand Mosque. The intended uses within these new neighborhoods include hotels, seasonal and permanent housing, and public facilities. The Municipality, through Al Balad Al Ameen, will carry out all activities related to land expropriation, clearance and master planning.

As mentioned earlier, the Comprehensive Plan includes a “Displaced Residents Program,” to provide alternative housing funded by private developers in Makkah. This program was designed to be launched before any Slum Redevelopment took place, however no alternative housing has been announced yet. The total number of alternative housing to be provided is approximately 146,000 in the next 30 years, 50,000 units of which will be needed in the next 10 years.  

58 DCOMM, 2011, Housing Plan
Caption 10 Bawabat Makkah Development

59 Jawaher Al Sudairy Maps (2015), Based on details from Al Balad Al Ameen
Caption 11 Makkah before Redevelopment

Caption 12 Makkah Today

60 Google Earth, 2004
61 Google Earth, 2015
CHAPTER 4: MAKKAH RESIDENTS

Makkah’s resident population has a very distinct history and composition, compared not only to other cities in Saudi Arabia, but to most cities at large. As a religious center, Makkah has been and still is a prime destination for Muslims around the world, who choose to work and live in the city. For most immigrants, the hajj pilgrimage has solidified conceptions of Makkah as a capital for the transnational Muslim community, and it is through this perception that Makkah, the homeland, also functions as a home.

Hence, due to Makkah’s “Home Land” identity, the city is highly affected by inbound migration from other cities in Saudi Arabia as well as other countries. In 2010, the total resident population in Makkah was estimated at 1.6 million, of which 55% were Saudis and 45% non-Saudis. A 2005 study examining the ranking of global cities, estimates that 37.75% of residents in the Makkah Province, which includes the cities of Jeddah and Taif, were foreign born, rivaling New York at 33% and London at 27%.

Seven of our top 25 cities are in the Middle East (Dubai, Muscat, Mecca, Tel Aviv, Medina, Riyadh and Jerusalem). This is a region and set of cities often excluded from the rosters of global cities. The substantial guest workforce in the Persian Gulf is widely known but not documented with any precision by the sending or the receiving countries. The draw of major religious centers, such as Mecca, Jerusalem and Medina, begs the question of whether these immigrants are settling there primarily for religious reasons, employment or as a result of the pull of social networks.

Comparably, the average annual rate of migration into the city of Makkah, in the period 1998-2008, was 5,400 Saudis and 11,700 foreigners, which constituted 40% of Makkah’s total population increase in that period. Makkah’s international migration pattern has a significant representation from African and South Asian countries, and typically attracts communities that are lower-income and socially marginalized in their home countries (e.g. Rohingya in Myanmar and Hausa in Nigeria).

The trajectory of immigration informs DCOMM’s projections for the city’s future growth, which estimates that the total resident population could reach 3.1 million people by 2040. And while the breakdown of the population by citizenship, Saudi vs. non-Saudi, does not reflect the complex variety of immigrant residents in Makkah (guest workers, over-stayers, third generation immigrants or asylum seekers), it remains an important statistic that

63 Definition is unclear, as it does not specify breakdown between expatriates and undocumented immigrants
65 It should be noted that the base data are developed from published sources, which are primarily derived from various census documents. As such, it is likely that unauthorized migrants and any other Makkah residents not enumerated in the various censuses are not included in the base data and are, therefore, also not reflected in the projections
provides a basis for evaluating municipal and national policies, and the extent to which they respond to the city’s immigration reality of almost half its population.

<table>
<thead>
<tr>
<th>City</th>
<th>Saudi</th>
<th>%</th>
<th>Non-Saudi</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeddah</td>
<td>1,729,007</td>
<td>50%</td>
<td>1,727,252</td>
<td>50%</td>
<td>3,456,259</td>
<td>50%</td>
</tr>
<tr>
<td>Makkah</td>
<td>924,413</td>
<td>55%</td>
<td>750,955</td>
<td>45%</td>
<td>1,675,368</td>
<td>24%</td>
</tr>
<tr>
<td>Taif</td>
<td>798,912</td>
<td>81%</td>
<td>189,002</td>
<td>19%</td>
<td>987,914</td>
<td>14%</td>
</tr>
<tr>
<td>Makkah Province</td>
<td>4,116,065</td>
<td>60%</td>
<td>2,798,941</td>
<td>40%</td>
<td>6,915,006</td>
<td>88%</td>
</tr>
</tbody>
</table>

Caption 13 Population Census 2010

Examining the socioeconomic makeup of the city, almost 80% are estimated to earn a monthly salary of less than $1,172 (SR 4,395) while the highest quantile earns above $1,866 (SR 7,000). Employment is highly concentrated in low skill tertiary jobs, such as retail, and administration, at 19% and 14% of total workforce respectively. Additionally, private households remain a consistent source of employment, which is also a prominent employer of immigrant residents, accounting for 12% of the total workforce. In secondary sectors, construction also accounts for 12% of employment. The proportion may have increased as of late due to the recent concentration of development projects in the city since 2007; however, no recent data is available.

Caption 14 Average Monthly Income by Quantile (USD)

According to the census, in 2010, at least 56% of the 291,563 housing units in Makkah were renter occupied, as opposed to owner-occupied. Considering that only nationals are allowed to own property in Makkah, many immigrant households elect to rent or register their deeds under a Saudi name. Due to affordability and limited access to the formal housing market many have been building their own homes in unplanned neighborhoods, which have resulted in the prevalence of informal neighborhoods in the city. Another option for non-Saudis is to live in worker housing provided by a company or employer, estimated at 8% of total households.

66 Central Department of Statistics & Information (CDSI)
Additionally, the distribution of households by housing types shows a large proportion are living in either apartments, estimated to comprise 63%, or traditional homes, at 25% of total households. The definition of a traditional home, as provided by the Ministry of Housing, states: ‘A house made of bricks, mud, stone or blocks, with a ceiling made of wood, palm, leaves, steel, tinplate, concrete or equivalents, regardless of the number of floors.” In Makkah, these homes are concentrated within informal areas. Their level of quality varies from good to dilapidated, and they often do not conform to the building code.

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Units</th>
<th>%</th>
<th>Population</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional Home</td>
<td>69,952</td>
<td>24%</td>
<td>405,186</td>
<td>25%</td>
</tr>
<tr>
<td>Floor in Traditional House</td>
<td>4,093</td>
<td>1.4</td>
<td>24,559</td>
<td>1.5%</td>
</tr>
<tr>
<td>Villa</td>
<td>14,820</td>
<td>5%</td>
<td>107,669</td>
<td>6.7%</td>
</tr>
<tr>
<td>Floor in Villa</td>
<td>12,054</td>
<td>4%</td>
<td>65,009</td>
<td>4%</td>
</tr>
<tr>
<td>Apartment</td>
<td>182,571</td>
<td>62%</td>
<td>970,861</td>
<td>60%</td>
</tr>
<tr>
<td>Other</td>
<td>8,073</td>
<td>2.8%</td>
<td>30,579</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>291,563</td>
<td>1,603,866</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Caption 15 Population by Housing Type

Several obstacles stand in the way of the integration of low income and immigrant communities in the city. This includes low education and skill levels, restricted access to the formal job and housing markets, as well as general social intolerance and institutional marginalization. Accordingly, the majority have resorted to creating their own parallel city, complete with services such as schools, markets and mosques. Hence, municipal failure to integrate marginalized communities economically and socially has and continues to translate directly into Makkah’s physical landscape and the formation of informal neighborhoods. The following section focuses on three informal neighborhoods that have been designated for redevelopment, and offers a deeper look into the socioeconomic composition in those areas.
**Target Informal Neighborhoods**

Three informal neighborhoods have been selected for an in-depth study of the challenges posed by urban redevelopment. Selections for this study aimed to represent areas with varying stages of development. In Al Hindawiya, resident eviction and land clearance has already proceeded to make way for the King Abdulaziz Al Saud Road (KAAR). Al Sharashif is in the process of evicting residents; however no demolition has occurred yet. Al Nakkasah has been designated for redevelopment, with portions of the area that are adjacent to Mansour Street have been cleared, however, the rest of the neighborhood remains intact and no plans for wholesale eviction have been set.

All surveys were commissioned by Al Balad Al Ameen, and carried out by Ektefaa group. Al Sharashif and Al Nakkasah were both completed in 2012, covering 8,726 and 7,570 families respectively. The estimated population is 53,000 individuals in Al Sharashif, and 46,306 individuals in Al Nakkasah. Together, the surveyed population in these two neighborhood accounts for 6% of the total population in Makkah. The survey carried out in Al Hindawiya in 2013 is less representative, covering a mere 1,250 families, and less than 420 of those were considered fully successful.

<table>
<thead>
<tr>
<th>District</th>
<th>Saudi</th>
<th>Non-Saudi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Al Sharashif</td>
<td>17%</td>
<td>83%</td>
</tr>
<tr>
<td>Al Nakkasah</td>
<td>4%</td>
<td>96%</td>
</tr>
<tr>
<td>Al Hindawiya</td>
<td>24%</td>
<td>76%</td>
</tr>
</tbody>
</table>

*Caption 16 Breakdown of Citizenship*

**Citizenship and Ethnicity**

Citizenship is a glaring issue across all three neighborhoods, as the majority of those surveyed was non-Saudi, however 80% were born in Makkah, indicating that most non-Saudi residents are at least second and third generation immigrants. Surveys also identify that of the non-Saudi population almost 10% were undocumented immigrants (without a legal residency status). The ethnic composition of the three areas is distinct. On the one hand, Al Sharashif and Al Nakkasah are predominantly Burmese, as well as include other South Asian ethnicities such as Pakistani, or Bangladeshi. Al Hindawiya, on the other hand, has an African majority, especially from Nigeria and Niger.
Home Ownership and Duration of Stay

The ability of residents to demonstrate homeownership is critical in order to qualify for compensation in the event that their property is expropriated. The survey indicates that the proportion of owner-occupied units in these neighborhoods ranges between 20-40%, and over 80% of surveyed residents hold deeds to their homes. The rest indicated that they are either living in homes they own without a deed, or in rented apartments. As mentioned in the earlier chapter, due to restrictions on foreign homeownership in Makkah, non-Saudi residents who hold a deed, or are applying for one are only able to do so if the deed is in the name of a Saudi national. Hence, immigrants who indicated that they hold a deed, their property would be registered under a Saudi name. In many cases the Saudi national could be a relative who holds the citizenship or an employer.

<table>
<thead>
<tr>
<th></th>
<th>Al Nakkasah</th>
<th>Al Sharashif</th>
<th>Al Hindawiya</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 Years</td>
<td>2,097</td>
<td>2,095</td>
<td>4</td>
<td>4,196</td>
<td>25%</td>
</tr>
<tr>
<td>5-10 Years</td>
<td>1,343</td>
<td>1,763</td>
<td>4</td>
<td>3,110</td>
<td>19%</td>
</tr>
<tr>
<td>+10 Years</td>
<td>4,122</td>
<td>4,840</td>
<td>199</td>
<td>9,161</td>
<td>56%</td>
</tr>
<tr>
<td>Total</td>
<td>7,562</td>
<td>8,698</td>
<td>207</td>
<td>16,467</td>
<td>100%</td>
</tr>
</tbody>
</table>

Most residents, at least 56%, have been living in these neighborhoods for over 10 years. The anecdotes shared by many residents indicate that these properties were often inherited from their parents who built their homes upon arriving in Makkah. When asked about their reasons for remaining in the area, 30% identified income as their primary constraint, over 20% said proximity to their families kept them there, and another 20% stated that ownership of their current homes makes it hard to relocate. The issue of homeownership was most critical for Saudi families, 30% in Al Hindawiya, 40% in Al Sharashif, and 50% in Al Nakkasah.

68 Interviews, August 2014-January 2015
69 Multiple choice question
Housing Type and Affordability

The distribution of housing types in informal areas is similar to that found at the city level. At least half of the families in Al Sharashif and 70% in Al Nakkasah live in apartments, and over 30% and 12% live in traditional homes respectively. As for rent, 58% of households live in units that cost $50-133, and 22% live in units that cost $130-210. In Al Hindawiya, the survey enquiring about rents was unsuccessful and did not provide any useful responses.

<table>
<thead>
<tr>
<th>Rent</th>
<th>Al Nakkasah</th>
<th>Al Sharashif</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;50</td>
<td>185</td>
<td>265</td>
<td>450</td>
<td>4.5%</td>
</tr>
<tr>
<td>50-130</td>
<td>2977</td>
<td>2889</td>
<td>5,866</td>
<td>58.6%</td>
</tr>
<tr>
<td>130-210</td>
<td>823</td>
<td>1409</td>
<td>2,232</td>
<td>22.3%</td>
</tr>
<tr>
<td>210-265</td>
<td>258</td>
<td>646</td>
<td>904</td>
<td>9%</td>
</tr>
<tr>
<td>265+</td>
<td>171</td>
<td>392</td>
<td>563</td>
<td>5.6%</td>
</tr>
<tr>
<td>Total</td>
<td>4,414</td>
<td>5,601</td>
<td>10,015</td>
<td>100%</td>
</tr>
</tbody>
</table>

Caption 19 Breakdown of Monthly Rent

Lastly, the breakdown of monthly household income levels shows a concentration of 67% of residents within the $265-$800 bracket. Hence, if they relocate, most residents will need properties that are as affordable as those in informal areas.

<table>
<thead>
<tr>
<th>Income</th>
<th>Al Nakkasah</th>
<th>Al Sharashif</th>
<th>Al Hindawiya</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 265</td>
<td>758</td>
<td>1050</td>
<td>15</td>
<td>1823</td>
<td>11.56%</td>
</tr>
<tr>
<td>265-800</td>
<td>5,517</td>
<td>5,137</td>
<td>47</td>
<td>10701</td>
<td>67.87%</td>
</tr>
<tr>
<td>800-1,330</td>
<td>495</td>
<td>800</td>
<td>45</td>
<td>1340</td>
<td>8.50%</td>
</tr>
<tr>
<td>1,330-2,665</td>
<td>116</td>
<td>368</td>
<td>47</td>
<td>531</td>
<td>3.37%</td>
</tr>
<tr>
<td>2,665+</td>
<td>28</td>
<td>102</td>
<td>25</td>
<td>155</td>
<td>0.98%</td>
</tr>
<tr>
<td>NA</td>
<td>212</td>
<td>538</td>
<td>5</td>
<td>755</td>
<td>4.79%</td>
</tr>
<tr>
<td>No Income</td>
<td>440</td>
<td>-</td>
<td>23</td>
<td>463</td>
<td>2.94%</td>
</tr>
<tr>
<td>Total</td>
<td>7566</td>
<td>7995</td>
<td>207</td>
<td>15768</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Caption 20 Breakdown of Monthly Incomes
Residency and Immigration
There are three categories of immigrants in Saudi Arabia. First are legal guest workers, who enter the country on a work visa and are granted residency through employment or sponsorship. Second are illegal immigrants, who either enter the country without documentation or enter as visitors and remain beyond the permitted period. The final category is legalized refugees; primarily consists of Palestinian and Burmese refugees, with small exceptions for refugees from Iraq and Yemen. National data on all three groups is limited, especially related to the demographic and ethnic breakdown of the immigrant population and inbound flow.

Guest Workers
Living in Saudi Arabia as a foreigner requires a residency permit, Iqama, which is typically granted through a company or a Saudi sponsor. Hence, all workers who apply for a Saudi work visa must already have an employer or a recruitment agent who can sponsor their application, and facilitate for their Iqama. For workers who arrive in Saudi Arabia with their families, women and children are included in their residency permit, as he functions as their male guardian’s. However, sons who are 18 years old or above, have to apply for a separate permit, either by securing a job or enrolling in school. Legal guest workers cannot access Saudi public services, such as schools or healthcare. Most foreigners either enroll their children in private schools or schools provided by their embassies, otherwise they leave their families in their home countries. Additionally, most guest workers either rent their housing or are provided housing by their employers.

Today, Saudi has an estimate of 8 million guest workers, accounting for 20% of the total population in the country; Historically, majority of the guest worker population in Saudi Arabia came from neighboring Arab states, particularly Yemen and Egypt. However, following the oil boom in the 1970s, demand increased and preference shifted to Asian workers, largely from Pakistan, India, Bangladesh and the Philippines.

Illegal Immigrants
Majority of illegal immigrants in Saudi Arabia enter the country with either a Hajj or work visa, and remain beyond the permitted period. The Ministry of Foreign Affairs reports that all applicants for Hajj and Umrah visas are approved, even if they have been denied entry to the country for work and tourism purposes, unless they have been previously identified as terrorists or fugitives. Hence, the opportunity for entry is quite high, despite requirements in the visa application for proof of a return ticket. There are also groups who enter without any documentation by crossing the border directly from neighboring

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70 Al Sulayman, Faris (2015), Interview, London School of Economics
71 Male guardian: father, brother or husband
74 Ministry of Foreign Affairs (2015), Interview
countries, such as Yemen and Iraq, or through the coastline. There are no available official estimates for the population size, however some reports peg the population at 1-2 million at any time. The Saudi Ministry of Interior conducts regular inspections, which result in monthly deportations. In the period March 2011 – November 2013 an average of 46,000 people we deported.

Illegal immigrants often reside in informal neighborhoods and areas that offer access to ethnic networks that can assist in securing shelter and employment. Some illegal migrants manage to eventually secure a Saudi sponsor who can facilitate an iqama, through formal or informal processes.

Refugees
Entry of Palestinian and Burmese refugees began concurrently, and as early as 1948, after the Arab Israeli War and Burma’s independence from colonial rule. However, the largest flow was in the 1960s and 1970s during King Faisal’s rule, especially following the oil embargo in 1972. In addition to the increased flow of Palestinians and Burmese refugees, this period also saw entry of Iraqis and Yemenis, who fled after the 1968 Ba’ath party coup in Baghdad and the civil war in Yemen. Saudi Arabia is not part of the 1951 Convention relating to the Status of Refugees or the 1967 Protocol, nor the 1965 Casablanca Protocol concerning Palestinian refugees. However, at the time, King Faisal was actively countering the Nasserist leadership in the region, and therefore was actively posturing Saudi Arabia as a homeland for the Arab and Muslim population.

King Faisal’s decision to receive refugees did not include any long-term solutions for their integration or normalization, which meant that refugees who entered the country were not given a formal status. Therefore, like guest workers, refugees are also required to obtain permits through employment or sponsorship. The 1992 Basic Law provided that "the state will grant political asylum, if so required by the public interest" but no legislation has been issued to implement this provision. Additionally, refugees who enter illegally or overstay on pilgrimage visas are barred from ever receiving the refugee permanent status.

Some refugee families have been granted citizenship, however the policy is ad-hoc and largely selective. In the case of Palestinian refugees, due to their ethnicity, level of

78 Al Sulayman, Faris (2015), Interview, London School of Economics
79 Ibid
education and technical skills, they have succeeded in achieving greater integration into Saudi society and economy, therefore sustaining a comparatively stable residency in the country. Burmese groups underwent a very different settlement trajectory, as most networks evolved in the Western Province, especially within the cities of Makkah and Jeddah. With low levels of education and skills, they were much more prone to high-unemployment and poverty. Hence, Burmese groups have tended to live on the fringe, within informal and “ghetto” neighborhoods.

Traditionally, grants for permanent residency and naturalization to foreigners, across all three categories were absolutely restricted. In recent years, several revisions to the naturalization law are relaxing requirements to allow for a more accessible, although still limited, process for gaining citizenship. These changes particularly target individuals who have a Saudi mother, or highly achieved foreigners who have lived in the country over 10 years.\(^\text{81}\)

In 2004, Saudi Arabia revised its naturalization laws to allow qualified foreigners to apply for Saudi citizenship, provided they were fluent in Arabic, had lived in Saudi Arabia for 10 or more years, had a clean criminal record, and were financially self-supporting. They included the stateless *Bidoon* but not Palestinians. Applicants also had to meet religious requirements, and Saudi Arabia reserved the right to revoke the citizenship of naturalized citizens within 10 years if they committed a crime.\(^\text{82}\)

Additionally, in 2013, HRH Prince Khalid Al Faisal announced an initiative for wholesale distribution of permanent residency to Burmese refugees. The decision is unprecedented and opens the door for long needed social and economic integration. An account of the events and conditions that persuaded their integration is included in the following section. This case study offers useful insight into the perspective of immigrant communities on residency in the country, the limitations of centralized planning, and the potential for participatory policy design and integration. It is also relevant as the Burmese community is one of the largest immigrant groups in the city of Makkah. Success in their integration may offer a solution for other groups in the city as well.

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Case Study: The Burmese Community

The experience of the Rohingya Burmese in Makkah is exceptional in both its history and sociopolitical evolution. The events that lead the Rohingya to migrate to Saudi Arabia as asylum seekers since the late 1940s granted them a permanent status, unlike other foreign immigrants in the country. It is within this status that they have been able to negotiate their economic and social integration despite their ineligibility for full citizenship. Abu al-Shami’ Abdulmajeed Al-Arkani the leader of the Burmese community in Saudi Arabia states, “I have been in the Kingdom of Saudi Arabia since the reign of King Abdul Aziz, may he rest in peace, from the beginning of the year 1368 Hijri. A number of [Burmese], you can count them on your hands, came [to the country],” said Al-Arkani. Some of those early comers received citizenship; however that policy was not applied to the rest.

The Rohingya Burmese is a Muslim immigrant community from Arakan, Burma. The estimate size of the total Burmese population in Saudi Arabia is over 250,000, mostly located in the Western Province, and is one of the largest immigrant communities in Makkah. In the eyes of society and the law, the Rohingya are considered foreigners. However, in their eyes Makkah is home, and they are making no plans of returning to Burma or immigrating elsewhere. Instead, the Burmese long for a Saudi citizenship, and the stability it promises. Most Rohingya are already second and third generation immigrants, to whom Burma is a far and foreign place. “Inside, I feel I am Saudi,” is a sentiment that was repeatedly conveyed in interviews carried out in Makkah. Despite Makkah’s inherent diversity, many non-Saudis and non-Arabs downplay their immigration status and ethnic background to avoid social discrimination from their fellow Saudis; “None of my Saudi friends know I’m not Saudi.” For many, their daughters are a source of hope, as they have a chance to gain citizenship through marriage “My dream is for my daughter to marry a Saudi and becomes a citizen, so that I don’t have to worry about her.” However, male immigrants cannot get citizenship through marriage.

Until recently, many members of the Burmese community, almost half, were living in Saudi Arabia as undocumented immigrants (no residency or citizenship). Even though, legally, Burmese immigrants have already been granted a “permanent status,” most did not have the paperwork to prove it. Hence, they were unable to work, or access public benefits such as education or healthcare. In 2007, an aggressive deportation campaign was launched by Ministry of Interior in collaboration with the Makkah Region Council, which included members of the Burmese population in the country.

83 Lunar Calendar, Corresponds to 1948
85 Ethnologue, Languages of the World - http://www.ethnologue.com/country/SA
86 Muhammad Arafat bin Muhammad, 2013, Be-long: Fatanis in Makkah and Jawi, Harvard University Graduate School of Arts and Sciences
87 Saudi in Focus (2008), 500 Thousand Burmese Form A Security and Social Challenge
The social committee of the Makkah Regional Council had been asked to lay down a mechanism for the campaign. According to reports, at least two million illegal foreigners, including a large number of Pakistani nationals reside in Makkah. Most of them had entered the kingdom on Umrah visas and then overstayed. Officials said the illegal immigrants included Africans, Pakistanis, Burmese, Bangladeshis, Afghans and Indonesians.

This incident encouraged members of the Burmese community, led by Abdullah Maarouf to seek a meeting with Prince Khaled’s Al Faisal to request amnesty, “everybody was convinced I was going to get deported if I met Prince Khaled. That morning, none of the people who had volunteered to join the meeting showed up. Nobody wanted to come with me,” says Maarouf. After his meeting with Prince Khalid, Maarouf was directed to the Ministry of Interior. The lead investigator at the Ministry argued that the Burmese community had become a security concern, spreading crime, and assisting other foreigners, especially those from Bangladesh, to pretend they were Burmese in order to acquire the permanent status. Maarouf agreed with the investigator, “We do not deny the prevalence of crime, sickness and poverty in our community; however this situation cannot be solved with deportation. The people you are capturing are being sent to Pakistan and other places that are foreign to them. This is the only place they know.” The reason Burmese residents were being sent to Bangladesh and Pakistan is due to the identification documents (e.g. passports) their families received when they sought refuge in Bangladesh before coming to Saudi Arabia. Maarouf asked for a probation period, and promised that the investigator’s concerns will be addressed.

Caption 21 Secretary Abdullah Maarouf

State within a State
This meeting was a turning point for the entire Burmese community in Makkah. Abdullah Maarouf invited the Saudi Security Functions to conduct regular visits to the Burmese neighborhoods. He also established Community and District Boards in each neighborhood that carry out daily patrols, enforce a neighborhood curfew, resolve community issues and conflicts, maintain an updated census, and coordinate for all government procedures including legal documentation, healthcare and education. Maarouf states:

We are already the third generation in our Community, and we come with a very different attitude from our parents. We wanted to get organized. Our philosophy is to collaborate and partner with the government. We don’t work outside the government.

At present, there are a total of 14 districts throughout the country overseeing 107 community boards. Makkah alone has 6 districts within each there are 4-7 Community Boards. Each Community Board includes 30 representatives who are nominated by the neighborhood mosques (an average of 5 nominees per mosque). Community Boards play an integral role in providing accessible services to Burmese families, as well as a platform for communicating with their leadership.

Today, Community Boards report to District Boards, which report to Secretary Abdullah Maarouf. His office includes 6 departments:

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89 Jawaher Al Sudairy (2015), Analysis based on interviews and site visits
1. **The Legal Department:** In charge of coordinating residency and all legal documentation for the Burmese community; 
2. **The Media Department:** Responsible for managing communications with local and international media, as well as producing and broadcasting content online and for TV Channels in Saudi and Burma; 
3. **The Department of Education:** Traditionally was responsible for raising funds for non-profit schools and securing scholarships for Burmese students, however recently they have also started to collaborate with the Ministry of Education to enroll students into public Saudi schools; 
4. **The Department of Women:** In charge of securing scholarships and training for women, as well as providing a channel for disseminating and collecting information to and from women. Currently, the department is carrying out a survey in collaboration with the Ministry of Labor, to support female employment. 
5. **The Department of Conflict Resolution:** Resolves internal conflicts between Burmese community members in each district. 
6. **The Department of Youth:** Concerned with maintaining youth engagement and providing recreational, cultural and after school programs, such as calligraphy, art, sports and religion studies. Maarouf indicated that with high unemployment, youth required special attention in order to combat drug use and delinquency.

The impact of these programs is both felt and seen. Young community members are not shy to boast their Quran reading skills, sports and calligraphy. Additionally, Burmese neighborhoods aesthetically stand out from any other in Makkah, as families hire talented youth to paint their walls and draw graffiti every Eid holiday (twice a year). The celebratory messages are kept for months until the next Eid arrives (Caption 12).

**Integration**
This governance system is unique not only within immigrant communities, but Saudi communities as well. Building this structure provided a vehicle for the Saudi government to collaborate with the community in designing policies that can begin to integrate them and normalize their status. “We collaborate with the police to maintain security in our neighborhoods, and when they need to find someone in our community, we get him and deliver him to the police.” Maarouf understands the role he is able to play, “this country has a lot of resources, and all it needs from us is to provide practical solutions.” Other immigrant communities have not developed any governance structure that is coherent to the Saudi government and therefore have yet to establish the rapport achieved by the Burmese.

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90 RMCArakan, Rohingya Media Center, https://www.youtube.com/user/RMCArakan/about
91 ArakanKsa - http://www.arakanksa.com/
One of the first policies that resulted from this collaboration is the decision to distribute residency to the entire Burmese community. The residency is renewable every 4 years and does not require a Saudi sponsor or employer. Since March 2013 until today, the policy has succeeded in granting residency to at least 80,000 people, and counting. Although the initiative was paused during the leadership change in 2014, when Prince Khalid Al Faisal was transferred to the Ministry of Education, after his reappointment by King Salman Al Saud, continuation of the program was announced again in March 2015. Although this is not the first time the Burmese were given residency permits, previous instances were ad-hoc. Hence, the objective of this program was to create an institutionalized process for addressing their status once and for all. The policy is unique, considering that the traditional options in the country have either been full citizenship, guest worker visa, or a tourist visa. Hence permanent residency status is an innovation. The committee reviewing applications to the program includes members from both the Saudi government as well as the Burmese community. One of the main roles the Burmese members play in the Committee is verifying that applicants are in fact from Burma/Mynmar.

In the same year the residency program was first launched, the Ministry of Labor also announced a concession for the Burmese community under the Saudization program, Nitaqat. The program is designed to encourage employment of Saudi citizens in the

92 Jawaher Al Sudairy Photography (2015), Al Nakasah
93 Alsharq, 2013 - http://www.alsharq.net.sa/2013/03/24/776181
private sector, and discourage reliance on guest workers. With the announced concession, 4 Burmese workers are to equal 1 guest worker, without exceeding 50% of total employment in the firm. If the number exceeds the 50% limit, then every additional Burmese would be considered one foreign worker. This is to encourage companies to hire local Burmese residents instead of importing foreign guest workers from abroad. The Ministry of Labor is also planning a program that will allow Burmese women to work without employer sponsorship, with the intention of making it easier for women to work.

Finally, during Prince Khalid Al Faisal’s time in the Ministry of education (2013-2015), he arranged for the distribution of textbooks throughout private and non-profit schools servicing the Burmese community. This initiative also included integration of Burmese youth into Saudi schools, where students in different levels take a test from the Ministry in order to transfer from non-profit schools into Saudi public schools.

The Saudi-Burmese collaboration offers a useful case study of possible solutions for effectively absorbing other immigrant communities that have traditionally been pushed to the margins. Although they are still facing rapid displacement, they are a little better equipped to adjust than other immigrant groups in the city. Secretary Abdullah Maarouf had participated in the planning workshop organized by the Makkah Principality in 2011, however as demonstrated in the earlier chapter, the Comprehensive Plan offers limited solutions and no implementation of programs that help displaced communities. “At the workshop I enquired about delays in providing alternative housing, especially considering that the plans are there, and the land has already been allocated to Bawabat Makkah, but no progress yet,” Says Maarouf. “Eviction is proceeding even though there is still no policy or plan for the residents being displaced.”

95 The current policy requires Burmese women to transfer their residency permit from their male guardian (father, brother, husband or son) to their employer
CHAPTER 5: IMPLICATIONS OF REDEVELOPMENT FOR RESIDENTS

Measuring the impact of the redevelopment program launched by the Makkah Principality requires assessing the policies that regulate development in the city. The first area for assessment concerns the city’s ability to mitigate the immediate impact of land expropriation on city residents, such as delivering compensation to displaced communities, providing relocation assistance and rent equivalents. The second area relates to the medium and long-term design of solutions and alternatives, especially as it relates to housing, both to replace the lost housing stock and ensure greater affordability. And third, assessing the provision and institutionalization of economic distribution policies that can offset the city’s market-based approach to development. Economic distribution is also critical both to safeguard the interests of the resident community, as well as take command of Makkah’s general socioeconomic formation.

Land Expropriation

Municipalities have three main mechanisms for acquiring land: 1. Purchase through market transaction; 2. Division of un-platted land; and 3. Expropriation.\(^\text{96}\) It is no surprise that the Municipality in Makkah is pursuing all three mechanisms in order to acquire the land needed for its announced developments. However, as most of these developments are planned in areas that are fully built, land expropriation has become a popular tool.

Public Benefit

According to the *Expropriation of Property for the Public Benefit Law*,\(^\text{97}\) ministries, municipalities and relevant public institutions may expropriate land with the requirement that they are used for public benefit, such as roads and infrastructure. Also, expropriation can be used if there is no alternative public land available to serve the intended project. The applicability of the expropriation law to Makkah’s redevelopment program and the rationalization that they serve a public benefit can be problematic, considering that the definition is nebulous. Additionally, the issue at hand is not only, what is public benefit? But also who is benefitting or is able to access future benefits? Most projects underdevelopments in Makkah today that utilize land expropriation do not guarantee inclusive benefits to local residents. Additionally, aside from transportation and infrastructure projects, the requirement to locate all new developments in the city’s core is debatable, as there are opportunities to reconsider alternative areas for development.

In the case of KAAR, the project is considered a transportation upgrade that will install a new highway and a pedestrian boulevard across the city. However, it also has extensive commercial, hospitality and mixed-use developments on either side. The project aspires to offer Makkah an avenue that is “comparable in size to other significant streets in the world such as Sheikh Zayed Road in Dubai, the Champs Elysees in Paris, and 5th Avenue in New York.”\(^\text{98}\) Accordingly, KAAR has already razed almost 6 square miles of land, which

\(^{96}\) DCOMM, 2011, Housing Plan, P. 270
\(^{97}\) Ministry of Justice - www.moj.gov.sa
\(^{98}\) Umm AL Qura Development Company (2014), KAAR Municipal Report
will be transformed from residential neighborhoods owned by residents into commercial developments owned by the private sector. The location of the highway is possibly central to the project. Additionally, the Umm Al Qura Development Company (UADC) carrying out the KAAR project argues that selling land along the highway to the private sector is needed to finance the development. Umm Al Qura states that the proportion of private development will only constitute 45% of developed land, while the majority share will be dedicated to public facilities (roads, parks,...etc.).

As for the Al Sharashif and Al Nakkasah developments, the stated public benefit is the elimination of informality and poor living conditions as well as improved connectivity. The projects are intended to convert both areas into private master planned neighborhoods. The Al Sharashif Development Plan states that 39% of the built area will be allocated to hotels and pilgrim housing, 15% to permanent market rate housing, and 4% to commercial use. The rest of the development, 42%, will be used for roads, infrastructure and community facilities.

Post-development, access to Sharashif will significantly improve with enhanced connectivity created with the inclusion of additional access and egress points to the Ibrahim Al Khalil Street, Mansour Street and the proposed western side of the 2nd Ring Road and the King Abdulaziz Road and Jabal Omar projects. Additionally, two North-South corridors will enhance inter-site linkage, eventually connecting into a 40 meter wide ring road.99

The Development Plan for Al Nakkasah has not been released yet, however, conversations with the Al Balad Al Ameen indicate a similar course for all projects under the Slum Development Program. The first phase of the program also includes, Al Kidwa, Al Khalidiya and Al Zahoor. Unlike KAAR, all slum development projects are not driven by transportation or infrastructure needs, nor are they constrained by the Hajj timeline for completion. Hence, there is potential to explore alternative solutions, other than wholesale clearance, that are less invasive and incremental.

Lastly, none of the developments in the city, including those mentioned above, include plans for affordable housing to replace those that were lost. Hence, none of the residents displaced will be able to access to new developments. The Al Sharashif Development Plan states that it aims to encourage the participation of landowners in the development and operation of housing, however, whether or not the plan will proceed with landowner participation is unclear.

99 Al Balad Al Ameen (2012), Al Sharashif Development Plan
Impact Mitigation
The Expropriation Law specifies that once land is designated for redevelopment, the relevant public institution, in this case Al Balad Al Ameen, is required to make an announcement in the newspaper, as well as distribute posters within concerned neighborhoods. The date of this announcement is the official commencement of the expropriation process. The timeline for property inspection, appraisal, resident eviction and land clearance is scheduled based on this date. Additionally, any changes or improvements to the property following the announcement are not taken into consideration in appraisal or compensation.

The law makes specific requirements to ensure mitigation of negative impacts on residents, including the institutionalization of compensation and eviction processes. The relevant public institution, again Al Balad Al Ameen, is responsible for communicating with residents regarding compensation for their properties, as well as declaring the eviction period. According to the law, the eviction period should not be less than 30 days, and distribution of compensation should occur prior to eviction. In circumstances where eviction has to take place before distribution of compensation, the law requires that the relevant public entity provide a “rent equivalent” to displaced residents until compensation is delivered. At a maximum, compensation must be issued within two years of the land designation date. If the period is exceeded, property owners may request a new appraisal.

<table>
<thead>
<tr>
<th>Land Designation</th>
<th>Deadline to Cut Power</th>
<th>Deadline for Eviction</th>
</tr>
</thead>
<tbody>
<tr>
<td>KAAR</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Al Sharashif</td>
<td>√</td>
<td>None</td>
</tr>
<tr>
<td>Al Nakkasah</td>
<td>√</td>
<td>None</td>
</tr>
</tbody>
</table>

Implementation of the land expropriation process, as dictated by the law, has been altered in Makkah. Most land designations have already been announced in the city over the past few years, including Al Hindawiya, Al Sharashif and Al Nakkasah. Homes across informal neighborhoods bear the markings of looming development, such as posters and municipality stamps. Once inspection and appraisal are completed, new stamps are added in the neighborhood to indicate dates when electricity and utilities will be cut, as well as
dates for eviction. Cutting electricity is an innovation by the Municipality, which is intended to prevent residents from resisting eviction. Also, unlike the specification in the Expropriation Law, Makkah residents do not receive compensation until they have evicted and provided proof to the Municipality that they have closed the utility bill on their homes. Only Saudis are able to complete this process, as all utility bills are linked to the property deed. Interviews with expelled residents indicate a mixed experience between those who have received compensation (up to $265,000 equivalent of SAR 1,000,000) to those who have received little or none. None of the residents interviewed reported receiving a rent equivalent.
Caption 26 Municipality Stamp

Caption 27 Dates for Cutting Electricity and Utilities

100 Jawaher Al Sudairy Photography (2014), Al Sharashif
101 Jawaher Al Sudairy Photography (2011), Al Rusaifah
Housing Affordability

Understanding the implications of land expropriation requires analysis of relevant policies and trends that assist or limit residents' ability to adjust following their expulsion from their neighborhoods, most critically are those that relate to housing affordability.

The city is witnessing great accomplishment of large infrastructure and hospitality projects, which are posing significant impact on the housing sector. At least 30,000 homes were cleared in the span of 5 years; only a small proportion is being replaced.102

Additionally, the recent clustering of infrastructure and hospitality developments in Makkah is shifting the already unaffordable real estate market further away from the reach of local income levels. Following the 2008 announcement of the proposed expansion of the Grand Mosque and other developments in adjacent areas, Makkah’s real estate values are reported to have increased by 55% in a single year.103 Such value increases are expected to persist as more developments are announced in other parts of the city.

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>$265</th>
<th>$800</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Payment (30%)</td>
<td>$80</td>
<td>$240</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>6.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Down Payment</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Tenure</td>
<td>20 Years</td>
<td>20 Years</td>
</tr>
<tr>
<td>Loan Amount</td>
<td>$10,000</td>
<td>$32,000</td>
</tr>
<tr>
<td>House Value</td>
<td>$12,500</td>
<td>$40,000</td>
</tr>
</tbody>
</table>

Caption 28 Value of Affordable Homes and Loans for Income Bracket $265 - $800

In 2009, the average cost of acquiring a home in Makkah was estimated at $224,000, while the average monthly cost for renter-occupied units was $728. This average is very much above the city’s median as well as rents within informal neighborhood. Assuming 30% spending of total income on rent or home ownership, the average monthly income that would afford Makkah’s market rate rent levels would be $2,400, which is already greater than the highest percentile of monthly income in the city of Makkah. Housing in Makkah is a significant burden for the majority of households, and the majority of households are paying more than 30% of their income towards supporting rental accommodation. … homeownership likewise is unaffordable for all but the top 20% of the population, and it is clear that in Makkah, it is likely quite rare for any household to achieve a housing cost of only 30% of their income.104

Based on the income levels surveyed in the neighborhoods discussed above, majority of residents were within the $265 - $800 income bracket. This means that at a rent burden

104 DCOMM, 2011, Housing Plan
of 30%, residents can afford a monthly rent of $80 - $240. Also assuming a 25% down payment, 6.5% interest rate, and a 20 year repayment schedule,\textsuperscript{105} home ownership is possible at $12,500 - $40,000, a fraction of actual housing costs. Therefore, residents of informal neighborhoods who have been expelled from their homes have had to either relocate to other informal areas or move to neighboring towns. Interviews indicated that the flooding of new residents into informal neighborhoods has increased property and rent values there, especially in neighborhoods adjoining cleared neighborhoods. Additionally, residents who have moved out of the city have not been able to sustain the commute or keep their jobs in the city.

The disparity between housing supply and demand in the city begs for public action to either provide housing for low-income and displaced residents, or design policies that can unlock private supply of affordable housing. This is especially urgent considering the rate and magnitude of displacement. As demonstrated in Chapter 3, the supply of public housing through the Municipality and the National Housing Program has not had any progress to date. The only public housing project in the city that underwent construction was launched by King Fahad Al Saud in 1997, and located on the west side of the 3\textsuperscript{rd} Ring Road intersection with Umm Al Qura Highway. However it was never completed and has remained abandoned since.\textsuperscript{106} Hence, both the Housing Ministry and the Municipality need new strategies for the delivery of public housing. Additionally, future policy solutions need to incorporate immigrant communities in the housing program to avoid the perpetuation of informality in the city.

\textsuperscript{106} Al Riyadh (2009), Real Estate Development Fund begins to complete « Housing Mecca » project after a 12 year pause - http://www.alriyadh.com/414836
Case Study: Wahat Makkah

The first and only affordable housing project in Makkah that is currently undergoing development was launched in 2011. The project, Wahat Makkah, is a public private partnership, in which Al Balad Al Ameen subsidized the land, and in return owns 20% share of the total development. The total built area is 290,000 square meters (in a total land area of 670,000 square meters), and promises to accommodate up to 25,000 residents.

Makkiyoon, a private development company, was granted the bid out of 14 competing developers. In addition to construction of the project, Makkyiyoon is responsible for provision of infrastructure. The partnership also requires Makkiyoon to dedicate 45% of the built area towards affordable housing. The rest of the development is divided between market rate housing (45%) and commercial use (15%). Prices for affordable units range between $40,000 – $66,000 (SAR 150,000 – SAR 250,000), while market rate units are priced at $147,000 – $267,000 (SAR 550,000 – SAR 1,000,000). The first phase of the development will deliver 2,300 units across all price points. “The private sector in Saudi Arabia is entirely focused on high-end development. Wahat Makkah is the only mixed-income development in the country.” Majdi Hariri, CEO of Makkiyoon.

Following completion of design of the first phase, units were sold through an online application process. Makkiyoon reports that it received over 20,000 applications in a single month. Several criteria were used to evaluate applications for affordable units. In the first round of applications, female households, displaced households and residents of informal neighborhoods were given priority. In the second round, additional criteria were considered, most important of which was proof of income. The payment requirement stipulated that applicants either pay upfront for two-bedroom apartment, or make a 25% down payment for all other apartments (affordable and market rate) with 60% of the cost due in monthly installments over 36 months.

<table>
<thead>
<tr>
<th>Apartment Type</th>
<th>Area (sq. m)</th>
<th>Cost (USD)</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two-Bedroom</td>
<td>80</td>
<td>40,000</td>
<td>Upfront</td>
</tr>
<tr>
<td>Three-Bedroom</td>
<td>100</td>
<td>43,000</td>
<td>2 Year Installments</td>
</tr>
<tr>
<td>Three-Bedroom</td>
<td>120</td>
<td>66,000</td>
<td>2 Year Installments</td>
</tr>
</tbody>
</table>

Most applicants for the affordable units were unable to secure financing from private banks or the state-run Real Estate Development Fund (REDF), and therefore were unable to pay the required amount. Banks refused to grant loans to applicants who did not provide a deed to the units in Wahat Makkah, which had not been issued yet. All banks require that loan applicants include a deed for the unit of interest, however, in Saudi

107 Makkiyoon (2015), Interview
108 JLL, 2015, Saudi Arabia Real Estate Market Assessment Report
Arabia no unit is granted a deed before construction is completed. Additionally, apartment buildings take an average of one year before deeds are distributed to each unit. This creates a substantial opportunity cost for developers looking to make a return on their investment, and a disincentive to the private sector to build apartment buildings or affordable housing. It is much more attractive to build a stand alone villa because the deed is issued much quicker.  

As for REDF, applications are considered on a first come first serve basis, and therefore were not able to get approval in time for the payment deadline. And despite attempts by Makkiyoon and the Municipality to persuade the Ministry of Housing to speed up applications for Wahat Makkah, no approval was granted. The Housing Ministry has promised so much, but has barely made any contribution toward housing supply, especially in Makkah. This was an opportunity to deliver affordable housing, and they walked away.

REDF remains the largest source of housing finance in the country, distributing loans of $133,000 (SAR 500,000) to Saudi nationals. None of the loans are linked to existing or planned developments. While the Land and Loan program, launched by the Ministry of Housing, allocates land to those who have secured a loan, however it is also piecemeal and land is often located in remote areas lacking in infrastructure.

The Wahat Makkah development, which eventually had to revoke applicants who did not pay for their units, redistributed the affordable apartments based on proof of income alone. Hence, most applicants who received approval were professionals and middle income residents. This experience highlights several challenges that are hindering private sector development of affordable housing in the country. There is an opportunity for revising public processes, such as the process for issuing deeds, or distributing loans, to assist both developers and applicants. However, more importantly, the Ministry’s emphasis on directly supplying housing across the country has detracted from its role as a regulator, as well as undermined the role of the private sector.

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109 Makkiyoon (2015), Interview
110 Ibid
Community Benefits

Despite public support of private sector development through land expropriation, clearance and assembly, developers are not required to incorporate public benefits, such as hiring local residents, supporting small businesses, or providing affordable housing. And as community participation is not part of the project approval process, local communities have no channel to negotiate with developers for amenities or mitigations. Most benefits are provided by the public sector directly, and any requirements for private sector contribution are enforced by the Federal Government, not the Municipality.

As discussed in the earlier section, the Housing Ministry has been mandated with the responsibility for closing the housing gap in the country. However, there has been no success in public contribution to housing supply to date, and none of the programs launched by the Ministry place any requirements for the inclusion of low-income housing in private developments. The national Saudization program, Nitaqat,\(^\text{111}\) launched by the Ministry of Labor in 2011, already makes provisions for minimum wage and the employment of Saudis in the private sector. It has recently incorporated a concession for the Burmese community, which intends to encourage employment of local Burmese residents over foreign workers.\(^\text{112}\) The impact of these programs is hard to measure, especially as Nitaqat quotas are not geographically oriented, and therefore, companies are not limited to Makkah in their hiring. Finally, there are several public initiatives for providing institutional support to Saudi-owned small and medium enterprises (SMEs). The Saudi Industrial Development Fund offers incentives and guarantees to banks in order to promote commercial lending to SMEs. Also, the Saudi Credit and Savings Bank provides interest-free loans to finances SMEs.

The option to design community benefit requirements associated with upcoming private development can assist the Municipality in addressing displacement and affordability, as well as improving economic integration and distribution. The design of the requirements can be done in collaboration with both the private sector and the residents to ensure that they are feasible, represent local needs and deliver practical benefits to the community.

<table>
<thead>
<tr>
<th>Employment Requirement</th>
<th>Wage Requirement</th>
<th>Small Business</th>
<th>Affordable Housing</th>
<th>Affordable Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudis</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Non-Saudis</td>
<td>None(^\text{113})</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

Caption 30 Qualifying for Benefits

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113 Except members of the Burmese community
CHAPTER 6: POLICY RECOMMENDATIONS

Makkah’s redevelopment program is ambitious in its size and timeline. The proportion of the city that is being overhauled to expand its hospitality and infrastructure capacity is proceeding rapidly. To date, at least 17,000 buildings have been cleared in the span of 3 years, with no displacement plan in place. And with high proportions of low-income and immigrant communities in the city, the need for public assistance to mitigate impacts of development is substantial. However, despite attempts to design a comprehensive and responsive plan, the city suffers from weak enforcement of policies that protect residents and regulate development.

Implementation of the expropriation program in Makkah has failed to observe the law and deliver compensation to residents before their eviction, not to mention that many immigrants have not been able to receive any compensation at all. This speaks to the national immigration challenge, and the need to revise traditional policies on immigration and immigrant access to benefits in the country. Although recent revisions of the Nationalization Law, and distribution of permanent residency to the Burmese community point to potential revision of Saudi’s policy. Yet, the scope remains very limited, and may remain this way for a very long time. “If the Burmese do not get citizenship, no one will.”

Additionally, weak Municipal governance and planning, combined with a market-based approach to development have both opened the way for the private sector to occupy the market, without any requirements for the distribution of value to the resident community. With no progress in the provision of public and affordable housing, the market remains geared towards hospitality and high-income residential development.

Designing a plan or policy that can address local needs and assist residents in their relocation is a pressing matter, especially as the development program continues. The Comprehensive Plan includes a recommendation for a displacement program that may offer a starting point for future planning:

This program would be funded through the contribution from the development community and would provide, in advance of the redevelopment of an area, housing to offset units to be removed by the development. It is estimated that there will be a need for approximately 50,000 units of displaced resident housing constructed over the next 10 years, and a total potential of 146,000 units replaced over the course of the next 30 years.

Key areas of action that should be incorporated in the displacement plan are pertinent to the following policies: The Property Expropriation Law, The Residency Law, The Foreign Ownership of Property Law, The Transportation Plan, and the municipal and national

114 JLL, 2015, Saudi Arabia Real Estate Market Assessment Report
115 Al Sulayman, Faris (2015), Interview, London School of Economics
116 DCOMM, 2011, Housing Plan
Housing Program. In addition to policy revisions and redesign, there is an opportunity for introducing community benefit requirements and promoting participatory policy design and governance in Makkah. Below are recommendations within each policy area, based on input from the Municipality, the Comprehensive Plan and policy makers in the Federal Government. The recommendations also highlight opportunities that are inherently afforded by the law.

**The Expropriation Law**
Unrestricted application of land expropriation in Makkah towards large-scale urban renewal is not likely to result in inclusive public benefits. The trajectory of planning and development is inclined to transform the city’s urban landscape to become increasingly geared towards serving the tourism industry and high income residents. This is especially true for the urban renewal program intended for informal areas, i.e. the Slum Development Program. This points to the need for restricted application of land expropriation and incorporation of incremental development solutions in informal areas.

Additionally, as demonstrated in Chapter 5, the land expropriation process does not observe the requirement to deliver compensation before eviction, as outlined by the law. The Municipality should ensure stricter enforcement of the law, and timely delivery of compensation or the rent equivalent.

Finally, a process is needed to allow delivery of compensation to immigrant residents who constitute the largest proportion of informal neighborhoods. The Municipality has indicated that it is considering options for expanding property appraisal to include compensation based on ownership of the structure rather than limit compensation to the landowner. This would allow for inhabitants who cannot demonstrate ownership, but can prove residence to receive compensation.

**Residency Law**
Although the Saudi Residency Law does include options for Permanent Residency without sponsorship, especially for those who can demonstrate that they have been living in the country for over 20 years, actual implementation of these options is highly restricted. Traditionally, all non-Saudi residents are required to have a sponsor or an employer in the country in order to receive the Residency status. Failure to secure sponsorship means that their residency is illegal and the country has the right to deport them. The only case of wholesale distribution of residency, without a sponsorship requirement, has been the Burmese community. This case offers a useful precedent for expanding the program to other immigrant groups in Makkah.

**Property Ownership Law**
Foreigners are not allowed to own property in Makkah. And the option to rent is restricted to two-year renewable contracts. This poses a significant challenge on 45% of the city’s residents, and maybe one of the prime reasons for informality in the city. According to the Municipality, one option is to relax the restriction on rent to allow for
long-term contracts (e.g. 20 years), which would give greater stability to local immigrants. Another option is to designate areas beyond the city’s territory where immigrants can legally own property.

The Housing Policy
Both the Municipality and the Ministry of Housing have failed to address housing supply and affordability in Makkah, which points to the need for renewed commitment and a robust housing program that is practical and progressive, as traditional solutions have already proven ineffective. Rather than assume full responsibility for housing supply, the Municipality and the Ministry need to coordinate in order to incentivize private and non-profit supply of housing and finance (as discussed in the Wahat Makkah case study). This approach echoes a recommendation in the DCOMM Comprehensive Plan:

New Residential and Mixed Use building projects with more than 20 residential units must provide for affordable housing. The developer may choose one of two options:
1) Provide ownership or a zero-rent lease for not less than 30 years to Municipality/DCOMM or another agency that they designate for 5% of the units of the project; or
2) Provide a cash contribution to the Municipality/DCOMM or another agency that they designate the equivalent of 5% of the estimated total construction cost of the project.

Additionally, there is evident demand for alternative housing solutions that allow for greater flexibility in housing policies that regulate housing design, such as the building code.

Transportation Plan
The DCOMM Transportation Plan outlines a comprehensive program that includes roads, highways, trains and buses. However, implementation has been limited to the construction and upgrading of roads and highways. Considering the existing demand for greater mobility, especially for displaced communities, the Municipality may need to prioritize implementation of quicker and less costly transit programs, such as buses. Additionally, the Municipality’s ban on unlicensed taxis merits reconsideration until transit is provided.

Community Benefits
The Municipality’s partnership with the private sector in implementing redevelopment projects offers a window for negotiating private distribution of community benefits, such as employment, support to local businesses and affordable housing in Makkah.

Community Participation
The Municipality’s collaboration with the Burmese community is a great example for the potential for greater community participation in policy design and governance. The Municipality has an opportunity to collaborate with other immigrants to develop similar structures and identify solutions and programs for greater integration.

117 DCOMM, 2011, Housing Plan
<table>
<thead>
<tr>
<th>Policy</th>
<th>Challenges</th>
<th>Options</th>
</tr>
</thead>
</table>
| **Expropriation Law**| • The definition of “public benefit” does not guarantee delivery of inclusive benefits  
• Implementation in Makkah does not observe the process outlined by the law  
• Compensation is based on land ownership | **Options**:  
• Revise applicability of the expropriation policy, especially relating to the *Slum Redevelopment Program* and consider options for incremental development  
• Stricter enforcement of the expropriation process, and ensure delivery of compensation before eviction  
• Consider compensation based on structure ownership or proof of residence* |
| **Residency Law**    | • Application of residency is restricted to those who have sponsorship, an employer or pursuing education in the country | **Options**:  
• Expand the Free Residency Program granted to the Burmese community to other immigrant communities in Makkah, without a sponsorship requirement (Article 31-4, 62)¹¹⁸  
• Explore option for long-term rent contracts*  
• Facilitate affordable property ownership for non-Citizen in areas adjacent to Makkah |
| **Property Ownership Law** | • Non-citizens cannot own property or rent long-term in Makkah  
• Non-citizens can own property outside of Makkah, at a minimum cost | **Options**:  
• Explore option for long-term rent contracts*  
• Facilitate affordable property ownership for non-Citizen in areas adjacent to Makkah |
| **Housing Policy**   | • Failure to deliver public supply of affordable housing  
• Limited progress on policies to incentivize private participation in affordable housing supply  
• Strict building code | **Options**:  
• Focus on unlocking private sector supply and enabling low-income demand**  
• Incorporate affordable housing in upcoming developments**  
• Consider alternative options for building requirements, construction material and construction technology* |
| **Transportation Plan** | • Emphasis on road construction and upgrades | **Options**:  
• Implementation of quick and inclusive transit solution, buses**  
• Lift ban on unlicensed taxis |

*Discussed with the Mayor of Makkah  
**Mentioned in the DCOMM Comprehensive Plan

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APPENDIX

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<th>Mina</th>
<th></th>
<th>Muzdalifah</th>
<th></th>
<th>Arafat</th>
<th></th>
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<tr>
<td></td>
<td>Ha</td>
<td>%</td>
<td>Ha</td>
<td>%</td>
<td>Ha</td>
<td>%</td>
</tr>
<tr>
<td>Roads</td>
<td>135.5</td>
<td>28.7%</td>
<td>152.8</td>
<td>23.9%</td>
<td>165.5</td>
<td>12.5%</td>
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<tr>
<td>Built Area (Tents)</td>
<td>271.9</td>
<td>57.6%</td>
<td>402</td>
<td>63%</td>
<td>846</td>
<td>64%</td>
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<tr>
<td>Other Uses</td>
<td>65</td>
<td>14%</td>
<td>83</td>
<td>13%</td>
<td>210</td>
<td>15.9%</td>
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<tr>
<td>Available for Development</td>
<td>-</td>
<td>-</td>
<td>--</td>
<td>--</td>
<td>98</td>
<td>7.4%</td>
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<tr>
<td><strong>Total</strong></td>
<td>472.4</td>
<td>100%</td>
<td>638.5</td>
<td>100%</td>
<td>1,319.5</td>
<td>100%</td>
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Caption A Holy Sites

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment</th>
<th>% of Total</th>
<th>% of GDP</th>
</tr>
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<tbody>
<tr>
<td>Agriculture, Hunting, Forestry &amp; Fishing</td>
<td>10,966</td>
<td>2</td>
<td>1.7</td>
</tr>
<tr>
<td>Petroleum &amp; Minerals</td>
<td>3,630</td>
<td>1</td>
<td>9.2</td>
</tr>
<tr>
<td><strong>Total in the Primary Sector</strong></td>
<td><strong>14,496</strong></td>
<td><strong>3</strong></td>
<td><strong>7.2</strong></td>
</tr>
<tr>
<td>Construction</td>
<td>59,370</td>
<td>12</td>
<td>7.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>39,485</td>
<td>8</td>
<td>7.6</td>
</tr>
<tr>
<td>Electricity, Gas &amp; Water</td>
<td>3,613</td>
<td>1</td>
<td>7.5</td>
</tr>
<tr>
<td><strong>Total in the Secondary Sector</strong></td>
<td><strong>102,468</strong></td>
<td><strong>20</strong></td>
<td><strong>7.3</strong></td>
</tr>
<tr>
<td>Wholesale &amp; Retail</td>
<td>96,937</td>
<td>19</td>
<td>7.3</td>
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<tr>
<td>General Administration</td>
<td>69,205</td>
<td>14</td>
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<tr>
<td>Private Households</td>
<td>61,337</td>
<td>12</td>
<td>3.0</td>
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<tr>
<td>Education</td>
<td>54,304</td>
<td>11</td>
<td>7.9</td>
</tr>
<tr>
<td>Transportation, Storage &amp; Communication</td>
<td>33,020</td>
<td>6</td>
<td>6.1</td>
</tr>
<tr>
<td>Real Estate &amp; Business Services</td>
<td>23,287</td>
<td>5</td>
<td>6.8</td>
</tr>
<tr>
<td>Health &amp; Social Services</td>
<td>20,317</td>
<td>4</td>
<td>7.9</td>
</tr>
<tr>
<td>Restaurants &amp; Hotels</td>
<td>17,532</td>
<td>3</td>
<td>7.3</td>
</tr>
<tr>
<td>Community &amp; Social Services</td>
<td>12,662</td>
<td>2</td>
<td>7.9</td>
</tr>
<tr>
<td>Banking &amp; Insurance</td>
<td>5,425</td>
<td>1</td>
<td>7.6</td>
</tr>
<tr>
<td>International Organizations</td>
<td>920</td>
<td>0</td>
<td>3.0</td>
</tr>
<tr>
<td><strong>Total Tertiary Sector</strong></td>
<td><strong>394,946</strong></td>
<td><strong>77</strong></td>
<td><strong>7.7</strong></td>
</tr>
<tr>
<td><strong>Total Employment</strong></td>
<td><strong>511,911</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Caption B Employment by Sector - 2008

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119 Includes tents and waiting areas for pilgrims
120 DCOMM
121 DCOMM
Caption C Makkah Informal Areas Distribution (Central Area)