Riad Fever: Heritage Tourism, Urban Renewal and the Médina Property Boom in Old Cities of Morocco

Recently certain hotspots for overseas property investment in rapidly urbanizing developing countries have emerged, beyond the top tourist destinations. The increasing influx of tourism-related foreign capital has been a trigger for urban regeneration of old cities in the developing world, whose architectural and historical heritage is a major attraction to foreign tourists and property investors. This article examines the socio-spatial implications of this tourism-driven property boom in Morocco, focusing on the recent phenomenon of ‘riad fever’, and the resultant urban transformation of its heritage-laden historic cities.

Key words: riad fever, heritage tourism, Médina property boom, urban regeneration, Morocco

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Introduction

Recently there has been a noticeable trend of increasing overseas property investment in rapidly urbanizing developing countries. In particular, European overseas property investors on the lookout for opportunities have recently moved away from the traditional favorites of Spain, Portugal and France to more exotic locations including both Eastern European countries (e.g. Poland, Bulgaria, Croatia, Czech Republic) and non-European countries (e.g. South Africa, Brazil, Cape Verde, Turkey, Egypt, and Morocco) (Pickard 2006a, 2006b). In the rising tide of foreign property investment in these countries, their heritage-laden historic cities, which have long been popular tourist destinations, have also emerged as overseas property hotspots among European investors, especially the British and French. While Europeans are looking for a property in these historical cities either as a pure investment (known colloquially as the ‘fly-to-let’ or ‘buy-to-let’ strategy) or as a second home for retirees and expatriates, this tourism-related foreign property investment has become a catalyst for urban redevelopment, demonstrating its close symbiosis with heritage preservation (World Bank 1997a).

Due to aggressive state-led tourism and property development initiatives, Morocco is the new star of emerging markets among overseas property investors, especially from Europe. Europe remains the dominant origin for tourism to the country, Morocco being the North African country geographically closest to Europe. The majority of foreign capital for property investment has gravitated towards two imperial cities — Marrakesh and Fès, which are the top tourist destinations as the epicenters of Moroccan cultural tourism. In this circumstance, the Médinas (the walled medieval quarter) of these cities, which were classified as UNESCO World Heritage Sites in the 1980s (UNESCO 2007), are undergoing an extensive social-spatial transformation driven by European-led property investment and the accompanied Médina rehabilitation projects intended to promote tourism.
At the heart of this transformation of the old Médina lie a large number of newly constructed or refurbished riads, as romantically attractive as any of the médina’s architecture (a riad is a traditional Moroccan courtyard house or palace, usually with an interior garden). I refer to this ongoing process of riad development in the Médina (specifically the construction of riad-style hotels, refurbishment of old riad properties, and transformation of old palaces to upscale boutique hotels) as the 'riad phenomenon'. The recent riad property boom in the old médina, dubbed ‘riad fever’ in the mainstream media, has appeared at a specific spatial-temporal junction where there is a complex intersection of political-economic processes, both in terms of the North-South relationship as well as culturally in terms of the present’s fascination with the past. This is truly a story of “Medieval meets 21st century and North meets South” (Dunlop 2005).

This article has a dual purpose. First, it examines the structural context which drives heritage tourism and the Médina property boom represented by ‘riad fever’, focusing on the regulatory regime of the Moroccan government. Second, it criticizes the rehabilitation of the Médina geared by upscale tourism and the riad property boom, which intensifies the unequal geography in the Médina area by producing an excluding space available mainly for foreign consumption only. This article consists of four main sections. The first two sections are devoted to a review of two primary bodies of literature which provide an insight into the interwoven relationship of tourism, the property boom, and urban regeneration, and its socio-spatial implications. The last two sections illustrate this dynamics in the Moroccan case, focusing on the ‘riad phenomenon’.

Conceptual Framework I: Political Economy of Development and the State

This structural analysis of development founded in political economy emphasizes the importance of institutional and regulatory factors and the significant role of the state in
development. The role of the regulatory state was particularly important, as Clancy (1998) notes: “the more recent literature relating to the political economy of development suggests the place to begin is with the state” (9). The statist approach to development is of particular relevance to the MENA region which has had a strong legacy of state intervention in integrating its economies into the globalizing world, and Morocco is not an exception. In Morocco, which was a French protectorate from 1912 to 1956, French colonial rule begat not only monarchy, which “preserved their traditional elites and capitalist legacies” (Henry and Springborg 2001, 20), but also being “complemented by the monarchial structures, facilitated the state's predominant role in the economy” (White 2001, 152). The political economy of Morocco is often summarized: (i) a strong neo-liberal capitalist tendency (Henry and Springborg 2001), and (ii) the preponderant role of the monarchial regime, the makhzen (Henry 1996).

The strong effort of the state to attract tourists to heritage-laden historic cities is often paralleled by a willingness to sell territory to foreign investors in order to generate revenue to pay for its preservation and restoration or to finance it via foreign private investment, which is the basic economic rationale for heritage preservation. This implies that the current state of tourism and the associated property boom in Morocco should be understood within the financial and regulatory context of the Moroccan state led by the makhzen (the Moroccan royal households), who are attempting to create an upward spiral of property investment to fund Médina preservation and urban revitalization.

Guided by the political-economic approach, I situate tourism development of Moroccan historic cities within broader national and global political-economic development trends, especially those coordinated by the regulatory state. Thus, I examine in particular the comprehensive regulatory framework of the Moroccan government’s institutional
(bureaucratic), legislative and financial measures, which are especially designed to attract European property-buyers and tourists to historic cities.

**Conceptual Framework II: Spatial Restructuring and the Power-laden Urban Landscape**

While the political-economic perspective suggests taking the national and global regulatory framework into account to understand the general direction of urban development in a local place, the spatial perspective to urban development suggests looking at the detailed process of urban restructuring and its socio-spatial arrangements. The urban geographical approach informed by critical social theory emerged in the 1970s as a critique of spatial science (pejoratively, spatial fetishism) or positivist geography, in which “geography was caught in a methodological trap in which the collection and manipulation of spatial data are preferred over the elaboration of social theory” (Peet 1998, 74). This approach was initiated from formative attempts to re-theorize the concept of ‘space’ and to explain the dependency of capitalism on a space economy, which owed much to Lefebvre’s original analysis of territorial or spatial configuration for capital accumulation. Along these efforts to decipher the capitalist urbanization process, a group of critical urban geographers (e.g., Davis 1990; Smith 1996) have tackled urban poverty and spatial inequality via gentrification.

This approach basically suggests viewing the process of urban renewal as a form of spatial restructuring and social cleansing, which is triggered by urban regeneration projects frequently resulting in the influx of high and middle-income households and relocation of low-income local residents, who often live in wretched conditions. As Swyngedouw, Moulaert and Rodriguez (2002) have argued, today’s neoliberal urban policy and development is “characterized by less democratic and more elite-driven priorities” (542).
Thus this approach is especially sensitive to the socio-spatial injustice created by seemingly naturalized neoliberal urban development.

Another important contribution from scholars of urban (city) studies to the understanding of contemporary patterns of urban development is to consider the urban landscape as spaces of power dominated by capital and state institutions, where the culture of the city plays a major role in deciding the pattern of restructuring as an economic resource (Sharon Zukin 1995). Similarly, James Duncan and Nancy Duncan (2001) argued that in capitalist societies, “landscapes become possessions for those with the wealth and power to control them” (387) emphasizing the politics of landscape preservation.

Engaging with these critical approaches from urban geography, I locate the processes of urban rehabilitation of heritage-laden historic cities in the context of spatial restructuring and social exclusion. I conceptualize the riads as a capitalist ‘enclave’ space for tourists and property investors, from which the local community is excluded and physically segregated, highlighting what Atkinson and Bridge (2005) called the ‘new urban colonialism’ by which riad properties are newly refurbished or constructed to meet Western tastes and consumption.

**Dynamics: Heritage Tourism, the Upscale Médina Property Boom and the Moroccan State**

There are certain global forces which have encouraged the recent riad phenomenon in the médina, such as the trend of so-called ‘cultural tourism’, more risk-taking in property investment practices and increasing interest in buying a home abroad for holiday or retirement and cheaper travel costs. However, the phenomenon should be understood primarily in the economic, cultural and political context of Morocco’s national policy to boost tourism and property investment.
A recent report (2007) by the World Economic Forum, which has assessed the tourism sector in 124 countries around the world, interestingly shows the domination of the MENA region in the list of the top ten `threshold' countries, in which tourism was identified as fundamental to development, including Tunisia, Jordan, Morocco and Egypt. Particularly, the rising popularity of Morocco as a hot property spot is closely linked to its rapidly growing tourism industry, strategically backed by the state as a national (and royal) project. With tourism having already become the country’s biggest source of foreign exchange reserves overtaking remittances sent by Moroccans abroad, it accounts now for about 10 percent of the country’s gross domestic product. Recently Morocco’s tourism revenue displayed “an extraordinary 29 percent increase in 2006, while in nearby Tunisia, tourism receipts grew by 9.4 percent in the year” (World Bank 2007, 18).

Morocco’s tourism industry has entered a completely new phase since the ascendency to the throne of King Mohammed VI. in 1999, who has a keen eye for tourism and launched in 2001 a multi-billion-dollar tourism initiative, La Vision 2010, which aims to make the country a regional hub for holidays makers (Moroccan Tourism Ministry 2006a). In the country where the makhzan (Moroccan royal household) under the regime of constitutional monarchy controls most of the levers of political and economic power, the promotion of tourism and property investment has become a ‘royal project’. In addition, Moroccan politics readily facilitates foreign investment, as noted in The Economist: “[The] Islamist Justice and Development Party (PJD)’s most innovative contribution to the economic debate has been to suggest that Morocco specialise in tourism and retirement homes for European pensioners rather than seeking to attract young (and morally lax) travellers” (The Economist 2006).

All the measures taken under the tourism agenda have also paved an easy way for foreign investment in the tourism sector. 46% of FDI (Foreign Direct investment) was concentrated in this sector in 2006 (ANIMA 2007, 154) by French, Belgian, Spanish and
Gulf groups, who put money into resorts and hotels. Particularly, this extraordinary tourism growth in Morocco is inexorably linked to the surge of Moroccan property investments, since tourism trends (what holiday-makers are looking for) are also monitored by second home buyers or pure property investors who expect high rental yield. Although the Plan Azur, the development of six large resorts on the Mediterranean and Atlantic coasts and large-scale off-plan properties, constitutes a big part of Morocco’s new tourism agenda and property sales, Morocco’s tourism growth relies significantly on cultural heritage tourism to its historic cities (World Bank 2006). All of the major four imperial cities of Rabat, Meknès, Fès and Marrakesh, as well as other historic cities such as Tétouan and Essaouira, rank in the top-ten of tourist destinations in Morocco (Moroccan Tourism Ministry 2006b). In addition, the médinas of cities such as Marrakech, Fès, Tétouan, Meknès, and Essaouira account for 5 out of 8 of the World Heritage sites in Morocco (UNESCO 2007).

Morocco’s distinctive culture is a major attraction for international tourists and property investors from all over the world, embodying as it does the heart of western orientalist imagery of the Maghreb. In fact, the emphasis on the nation’s culture and tradition in an attempt to establish national mythologies of oriental exoticness has been noticeably different to the strategy of its neighboring countries in the Maghreb. Edwards (2005) notes that “rather than resist these stereotypes, the Moroccan tourism industry has generally adopted the strategy of performing the stereotypes and profiting off the performance” (74). Here, the old Médina forms the center of a mythical Morocco. Thus, in Morocco, which has recently surged as one of the world's leading emerging markets for investment, it is not surprising that many European property investors, perhaps envisaging their own 1001 Nights-style dream homes (old dars or riads), have gravitated towards the historic cities of Morocco, especially the old Médina, as the big players in a ‘medieval theatre’ (Alleman 2008; Burke 2008; Dallas 2005; Pickard 2007).
Recognizing the potential economic value of the Médina, the Moroccan government revived the French program of Médina preservation under the jurisdiction of the Department of Fine Arts and the Department of Tourism, in order to monitor and manage the Médina landscape. Advice from an American consulting firm hired by the Moroccan government in 2000 to help re-establish its tourism strategy was followed. The recommendations included “improving access to the médinas and making them safer, while at the same time maintaining their charming mystery” (Porter 2007). In addition the Moroccan government legislated a variety of new rules and regulations which aimed to keep the Médina looking medieval, ordered a crackdown on touts and hustlers, and eased bureaucracy for foreign investors (Dunlop 2005). Further, to attract foreign, especially European, property buyers (mainly second-home seekers or those caught up in the ‘buy-to-let mania’), the government has not only dramatically liberalized its air transport, which is the primary transportation mode of visitors, but also streamlined the property purchase procedures and bureaucracy. For example, the government signed an ‘Open Sky agreement’ in 2005 with the European Union which resulted in a substantial reduction of air fares between major European and Moroccan cities by hosting European low-cost flights (World Bank 2007, 76). Also, the government not only enabled EU citizens to buy property in the country without official permission, but also granted various tax advantages to property investors, such as exemption from rental income tax for the first five years, no capital gains tax if the property is sold after ten years, and no inheritance tax for family members (International Law Partnership 2007).

Implications: the Riad as a Capitalist Enclave, and Socio-Spatial Exclusion

This is occurring in a country which is one of the poorest in Africa. According to the UNDP human development report 2006, Morocco ranked 123rd out of 177 in the Human Development Index, a composite measure of social indicators, being far behind compared to
other neighbours in the MENA region (e.g. Jordan 86th, Tunisia 87th Algeria 102nd, Egypt 111th) (UNDP 2006). The country is also “ranked below other countries in the Arab world in major social indicators …… importantly, below other countries globally in the same income category” (Cohen and Jaidi 2006, ix). While the local population of the major historic cities has rapidly increased due to a rural exodus, increasing the level of poverty in urban areas (ILO 2004), the riad fever is forcing house prices up in the old médinas.

The contradiction between the wealth of foreign-owned riads and the impoverishment of the local population has become commonplace in the médina: “tourists are drawn to the old médina's narrow streets where mules and scooters jostle just yards from the trickling fountains of shaded traditional riad courtyard homes. But veiled women sit begging near marble-clad riad hotels that cost up to 3,000 dirhams ($350) per night” (Pfeiffer 2007). The intensified development of riads in the Médina has even produced the phenomenon of an enclave quarter for westerners, termed 'Médina-shire', excluding local people from their own territory.

The recently completely ‘Fès Médina Rehabilitation project’ (1999-2005) is a good example of how development in the Médina tends to serve foreign private interests, rather than the interests of local Médina residents. The project was financed by the World Bank with the purpose of establishing a direct link between cultural heritage rehabilitation, tourism development and poverty-alleviation (World Bank 2006), and was based on a 1995 survey indicating that “36 percent of the Médina’s population is below the poverty threshold, a proportion far exceeding the national average for both urban (10.4 percent) and rural (28.7 percent). Moreover, half of the housing stock is seriously decayed and housing occupancy levels surpass acceptable levels” (World Bank 1997b). Nevertheless, despite the focus on poverty alleviation, the main achievement of the project was bringing private foreign investment in upscale properties into the Médina. According to the project’s completion
report published in 2006, the project was assessed to have been overambitious with little improvement in the overall state of housing units in the Médina, while thirty three palatial homes were successfully transformed into up-scale boutique hotels in the private sector.

**Conclusion**

The recent riad phenomenon and the transformation of the Médina landscape in Morocco is a complex interplay of global and local dynamics, influenced by both external forces and national policy. This transformation has been boosted by the development agenda of the Moroccan monarchial regime, which strategically aims to revitalize old cities via foreign capital. The old Médina, thus now regarded as an asset to be invested in for its potential economic value, requires significant cultural heritage preservation and management in light of its important role in urban rehabilitation. However, these top-down development efforts of Médina regeneration and the consequent increasing foreign ownership of riads also have the potential to socio-spatially exclude local residents. Further detailed investigation of the micro-processes by which riads are created at the intersection of capitalist urban development and cultural heritage preservation could contribute to a new understanding of the socio-spatial restructuring of old historic cities today.
References


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