CHAPTER 16

THE OTHER SHORE

Iranians in the United Arab Emirates Between Visibility and Invisibility

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While exchanges around the Persian Gulf are pursued through trade – whether legal or illegal – between a network of countries to the north and south, the considerable Iranian presence in the United Arab Emirates bears witness to new migratory trends in the Gulf region, in turn reflecting a broader process of globalisation and the growth of the urban metropolis.

Over 500,000 Iranians live and work in the United Arab Emirates (UAE), the total population of which is around 4 million.[1] It is widely recognised that Dubai's development owes a great deal to migrant workers from all corners of the world. But while the majority of Dubai's immigrants come from southern Asia and indeed one in every two inhabitants is from India, the longstanding Iranian presence remains significant, with 80 per cent of Emirates-based Iranians living in Dubai.

As in any city where migrants play a major role, Dubai-based Iranians are divided and channelled into different sectors of activity. The heterogeneity of the Iranian presence has made it hard to fully identify the sectors in which migrants are active and also seems to have precluded the development of new community ties, especially between the older generation and the new, more recently-migrated one.

This heterogeneity reflects the diverse origins of Iranian migratory flows into the Emirates, each with its own moral and political economy. Nevertheless, the general trend is towards increasingly highly-qualified migrants who are thus able to meet the demands of a society in search of ultra-modernity.

My aim here is to outline the role of Iranian migration in the development and 'metropolisation' of Dubai. But this is complicated by the fact that the Iranian presence in the Emirates today takes various forms, more or less visible, whether emerging from regional communities or individual moves from the Iran's major urban centres. Over the past century or so, we have witnessed a trend away from ancient migratory patterns based on shared values and a sense of community towards a more recent migratory pattern, which is characterised by a process of individuation. This echoes the political and social evolution of both the home and host societies, i.e. Iran and the UAE. The move towards new migratory patterns has not, however, been to the detriment of the former, based on communities' ties between the two shores of the Gulf, even if the Emirates' determination to create a knowledge-based society begs the question as to how long a community-centred, peripheral economy will be able to survive.

A reversal of migratory flows linked to geo-political conditions

The flow of people back and forth between the Arabian and Persian shores of the Gulf has been a feature of everyday life in the cities concerned for centuries. Iranian-Arabs and some of the Iranian non-Arab Sunni communities have bound relations with the southern coast of the Gulf and continue to benefit from their 'double belonging' status and contribute to a regional economy that characterises the southern territories of Iran and the Gulf islands. Before the establishment of the Arab Gulf states in the 1970s, these exchanges were limited to areas along the Gulf and in the eastern region until Baluchistan and even reaching toward the centre of the Iranian land mass, including some towns such as Lar, Bastak, Evaz and their populations in Fars province and near Shiraz, due to their common obedience to Sunni Islam. The Gulf played the role of a geographical interface in this regional-level migration, supplying the needs of the local economies of towns and villages on both sides. The resulting transnational community often reflected religious and linguistic ties between the inhabitants of the south of Iran and the southern Gulf countries on one hand and, on the other, historical events affecting countries on each coast, which accelerated or hindered migratory flows in either direction.

The development of the port of Siraf in Iran in the ninth century and the expansion of trade in the Indian Ocean, from the distant cities of the far east to those of the Persian Gulf, made Siraf and its nearby towns both

reachable and attractive to merchants (Priestman, 2008). From Bushehr to Bandar Abbas on the coast and over the mountains which separate the coast from the main plateau where are located towns like Bastak, Galehdar and Lar, they all have been attracted by the exchanges through the Gulf. Therefore as Abdullah states (1978: 221) 'the Gulf has never been a barrier but a link strengthening the social and economic ties between both sides'. The constitution of a strong, Persian- and Shia-centred nation-state in the fifteenth century, under the reign of the Safavids, saw some of these Sunni Arabs, who had settled in the south of Iran, ejected by the local governors. At the beginning of the eighteenth century and following the fall of the Safavid dynasty and their reducing control power on the coastal region, a wave of migration of Arabs to the Persian shore took place (Abdullah, 1978: 221). Mostly Sunnis, as reported by Niebhur (Niebuhr, 1772) a German traveller in the eighteenth century, and Lorimer (1970) at the beginning of the twentieth century, Matârish tribes migrated from Oman and became rulers of Bushehr while Qawasim, the actual rulers of Sharjah in the UAE, became the rulers of Bandar Lengeh. Sunni Arabs, they sealed alliances with the inhabitants of these cities especially with the Persian Sunnis who probably felt more affinities for the Arab Sunnis than for their Shia compatriots. As quoted by Muhammad (1978: 222), 'cultural and religious relations continued between both sides of the Gulf, since some of the religious teachers in the Trucial states were educated on the Persian side in schools by the wealthy Sunni merchants, notably at Lingah'.[2] These regions became somehow semi-independent until the time when the Qâjâr dynasty (1796–1926) started expanding its power from its new capital of Tehran to the Gulf coast and islands. Although these tribes resisted the central power, Persia's fight against the settled Arab tribes consolidated the authority of the strong central government of Tehran (Abdullah, 1978).

Following the extension of Persian authority through the appointment of the governors for the coastal cities from Tehran as well as the support of Western powers to the government of Tehran (notably the arrival of two German warships, *Persepolis* and *Susa*, in 1887) and finally the imprisonment of the Qasimi ruler of Lengah, some Arab inhabitants commenced in 1899 a new wave of migration to the Arab shores announcing a reversal of migratory trends. This trend was prompted in 1910, as a sizable merchant community, in many cases Arabic and Persian-speaking Sunnis, left the shores of Iran for the south coast of the Gulf, as a result of customs barriers that had been set up in 1902 by Belgian representatives empowered by the central government of Tehran. The introduction of very high customs duties on all merchandise imported and exported through Iran's ports favoured the development of Dubai, which progressively replaced Bandar

Lengeh, the dominant port until that date. As quoted by Muhammad Morsy Abdullah (1978: 232):

> The merchants of Lingah and other Persian ports found their interests directly threatened and their goods subjected to heavy duties. At last some heading merchants, mainly Sunni Persians, found no alternative but to close down their stores in protest and emigrate to Dubai. There they began to establish agencies and ordered their big ships to come from India direct, by-passing Lingah.

According to Heard-Bey (1982) the population that had moved from the Iranian shoreline to the port of Dubai had maintained their ties to the Persian coast and arranged for goods to arrive in Persia while evading customs duties. When Reza Shah (Shah of Iran 1925–41) came to power in Iran in 1925, he established a strong central government for which access to the Gulf was very important. To prevent foreign interference, he refused to ask for external loans; instead he raised the taxation on local products, such as tea and sugar, using them for financing a huge network of infrastructures. These measures again affected the inhabitants of southern Iran whose revenues relied on the imports of these goods through the Gulf ports. Therefore not only was migration towards the Arabian littorals reinforced, but the smuggling that until that date was on a small scale, became the main resource of local families despite the attempt of Reza Shah in building a navy in 1930 for ending this activity. Adding to these measures, the enforced unveiling that was imposed on women by Reza Shah in 1936, following his Westernisation policy, precipitated the waves of emigration of Sunni inhabitants (Arabs and Persians) who considered these new rules as heretical (Abdullah, 1978: 247).

The contemporary mass migration of Iranians to the Emirates is, for the larger part, a result of the geo-political context and relations between the Gulf Arab nations and Iran. The political and economic changes in both Iran and the Gulf Arab countries led to a new wave of migration expanding the transnational ties from the small towns of southern Iran to the major Persian culture-dominated metropolises toward the southern shores of the Gulf; particularly in the UAE and Dubai where the traditionally positive immigration policies toward Iranian nationals stands out from the rest of Gulf States significantly (at least until very recently). This movement started with the discovery of oil on the southern shore of the Gulf, increasing the demand for labour, and it was reinforced after the Iranian revolution of 1979, during the Iran–Iraq war, and with the strong economic liberalisation in Dubai. The rise of the real estate sector and the appetite of Iranians to invest in it, the rise of sanctions against Iran transforming Dubai into a re-export platform followed by the economic growth of service sectors less than ten years ago around the activities of media, art market, green growth etc, transformed Dubai into the best platform for a various range of activities for Iranians.

Nowadays, Dubai, whose current situation in the Gulf opposite the Islamic Republic of Iran might be compared to that of Hong Kong in the Pearl River delta, close to communist China, is facilitating Iran's circumvention of the international embargo: 'Curiously, Dubai plays the role of both Switzerland and Hong Kong for Iran: Shelter for mullah's capital and starting point for smuggling that enables Iran to operate in spite of embargo and internal rigidity' (Lavergne, 2009: 43).

Since the discovery of oil (1958 in Abu Dhabi, 1966 in Dubai) and during less than three decades, the neighbouring emirate developed rapidly and the city of Dubai was quickly dubbed a 'city-state' (Gibert, Maraut and Telle, 2005) and elevated to the rank of global city. It became a consumer and financial paradise. Dubai took full advantage of its competitive edge over the Iranian coast: highly-developed infrastructure, an efficient airport, port installations, credit payment and foreign exchange facilities and the presence of foreign banks. Every year, Iranian investors in large numbers leave their country with significant capital and invest it in Dubai. The economic and political changes in Iran have had direct effects on Dubai's markets notably after the election of President Ahmadinejad and the rise of conflict regarding the Iranian nuclear programme (Fathi, 2005, Coville, 2006). A good example of this was seen in September 2005, after the International Atomic Energy Agency's resolution referring Iran to the United Nations Security Council for violating its nuclear obligations. While stock prices in Tehran fell, the Dubai stock market and real estate saw a surge of Iranian capital (Gholipour Fereidouni and Namdar, 2011). Fariba Adelkhah (2001: 41) wonders if Dubai has not become 'the true economic capital of the Islamic Republic', as it has also become the centre for the re-export of goods, especially US products, into Iran since the embargo. Also, Dubai hosts some of the so-called front companies, which are originally governmental, allowing them to circumvent the sanctions.

Although the rise in trade and increasing interdependence have strengthened ties between the two sides, bilateral relations between Iran and the Gulf's Arab nations are marked by mutual wariness. The alliance with the Western powers and especially with the Americans before the Iranian revolution had transformed Iran into 'General of the Gulf' which gave it the legitimacy to intervene in the territories of the Gulf without considering its Arabs counterparts who were still under the British protectorate. In Iran, Pahlavi's (1925–79) policy tended to promote greater Persian culture in the country despite the existing cultural and linguistic diversity (only 50 per cent of the population is Persian). The Shiraz art festival in Persepolis glorified pre-Islamic and ancient Persia. 'The monarchy in Iran represented a cultural nationalism closure corresponding to a particular time of this ideology in the world and very classically based on the exclusion or denial of cultural identities' (Fariba Adelkah, 1996: 86).

Following the Iranian revolution (1979), the leaders of the Arab nations were considered by Imam Khomeini to be 'infidels' and traitors to Islam on account of their ties to the USA. Conflict between the UAE and Iran over the control of three Gulf islands (Abu Musa, Greater and Lesser Tumbs) has bubbled up regularly in debates for more than 30 years. With Imam Khomeini's death, Iran embarked on a new pro-Arab policy with the Gulf Cooperation Council (GCC) countries. Aware of their economic, geographical and cultural interdependencies, Iran's foreign policy attempted to pacify its relations with these states (despite some tensions with the UAE in 1992 regarding the sovereignty on the islands), but it was the tendency to export its model of the Islamic revolution, particularly through its influence on the Shia communities in Arab countries, that resulted in a constant mistrust in their mutual relations. With the mandates of the pragmatic Rafsanjani (1989–97), followed by the reformist Khatami (1997–2005), the concerns Arab states had regarding Iran's willingness to spread its model in the region were subdued for a short period. During this time, Iranian leaders had tried to show their good will and some conferences took place between Iranian intellectuals and Arab thinkers in order to detect the origins of Arab–Iranian antagonism. The Doha conference in 1995 with the participation of all Arab nations and Iran, as well as the publication of the book *Arab-Iranian Relations* is one such example (Haseeb, 1998). But the nuclear ambitions of Iran and the political radicalisation with the presidency of Mahmoud Ahmadinejad since 2005 have gradually eroded efforts made in the 1990s.

Tensions between the two sides have always impacted upon the Iranian communities in Arab states. As Nadjmabadi (2010: 30) observes,

> Iranian migrants consider that their treatment in the Arab states is not simply a matter of individual behaviours but often one of interstate relations. For example, those who had lived in the Arab states during the 1960s, when Nasserist Pan-Arabism was sweeping the region, explained that Iranians became scapegoats during this period, suffering maltreatment as a result. Similarly, political events within Iran influence how the Arabs treat the Iranian migrants.

The independence of the Arab Gulf States in the 1970s, the Islamic revolution of Iran in 1979 and the Iran–Iraq war (1980–8), contributed to socioeconomic imbalances between the two coasts, which have forced the transnational families to change their strategies regarding their identity in the Gulf, which previously enjoyed a greater fluidity. Following the recent tensions between Iran and the Arab Gulf countries as well as US pressure on the UAE to control Iranian activities, it is manifest in communications by authorities that they play down the contribution of Iranians to their development and the immigrants themselves often attempt to cover up their Iranian origins. My assumption consists in saying that the evolution of economic sectors in Dubai as well as that of Iranian civil society is recomposing the Iranian presence in the UAE and particularly in Dubai. I was able to test these assertions via surveys and interviews carried out during assignments to the UAE in 2007, 2008, 2010 and 2011, in addition to research carried out along the Iranian coast and on Iranian islands in the Gulf in 2006.[3]

Iran's past influence on Dubai visible in Dubai today

Despite Dubai's futuristic landscape of skyscrapers and motorways, the city's present still has roots in the past. The Dubai Creek, Al-Khor, which separates the Deira district in the east from Burdubai in the west, is still home to many traditional yachts, called *dhow* in Arabic or *lenj* in Persian, which are sailing under the Emirates flag but manned by Persian, Jazirati (a dialect of the islands in the Gulf) or Pashto (Afghani) speakers. The mainstays of the Gulf economy of yore are today relegated to a role on the sidelines, contributing to the regional trade 'from the bottom' (Tarrius, 2002), transporting a wide range of goods bought duty-free from Dubai to Qeshm, Bandar Abbas and Kish in Iran, where they are much-sought-after for their bargain prices.

Dubai Creek is still a meeting place for the protagonists of the grey economy. Yachts and rowing boats congregate nightly and travel the Straits of Ormuz, to be met on the Iranian side by a fleet of SUVs driven along back roads and cart tracks, or even 'parachute women'.[4] This trafficking, involving networks of families, friendships and longstanding alliances, is little-known and impossible to evaluate. It also includes the transport, via Iran, of illegal Iranian or Afghan immigrants supplying casual labour for low-qualified jobs. Their existence in the Gulf is acknowledged but the number and spread of them is difficult to assess. The traders of Dubai, often called smugglers on the Iranian side, cross borders that in many cases they refuse to recognise. This is to ensure the survival of the circulatory territories of the Persian Gulf, which struggle to keep up with developments in Dubai and its rapid evolution towards a knowledge economy.

The veiled or unveiled importance of a new generation of Iranians

In the race towards a 'knowledge society' as defined by Philippe Cadène (2008) and characterised by its emphasis on qualified labour, the Iranian population is evolving to adapt to the demands of this 'cross-border coastal conurbation' (Dumortier, 2007) as it seeks its place in the global trend. Whether visibly or invisibly, the new Iranians of the UAE have participated for over a decade in a broad range of activities responding to developments in the predominant economic sectors. Statistics supplied by the Emirates Chamber of Commerce and Industry only take into account activities carried out officially by Iranians with Iranian nationality. However, Iranians in the Emirates are not always Iranian from the administration's point of view, for two reasons.

The first Iranian immigrants arriving in the Arab principalities at the beginning of the last century often sought to 'arabianise' (or re-arabianise) themselves and their Persian family names in order to better integrate into local society based on their ethnic, religious and linguistic affinities. At the time of independence of the UAE in 1971, the members of this community, established well before the discovery of oil, fulfilled the conditions for obtaining the enviable status of full national citizenship in the same way as the local Arab tribes. This process of assimilation even went so far as the denial of Iranian origins, as witnessed by their refusal to speak Persian, transmitted down through the family, or to mix with other Iranians in public. These behaviours result not only from the geo-political tensions between Iran and the Gulf Arab countries, but also because of the establishment of an allocative state (Davidson, 2005), in the Arab Gulf countries, notably in the UAE, which attributes a large number of privileges to the nationals, creating new socioeconomic barriers between those who have been naturalised in the 1970s and others who are still Iranian nationals, or *bidoons*.[5] Meanwhile, the constitution of a national identity for the young nation of the UAE requires that some of the multi-belonging communities abandon the ambiguity of their identity, at least in their discourse, for the benefit of a national UAE identity in

order to participate in a common national history. The degree of their transnational characteristics being variable, these families are the most representative of the fluidity of the Gulf identity. Shahnaz Najmabadi's (2010: 21) study of transnational families in the Gulf reached the same conclusion:

> The Iranian migrants [those of south of Iran] living and working in Arab countries do not perceive the Arab environment as a competing or different frame of reference. Given the historical entanglement of the two regions, these migrants actually feel less marginalised in Arab countries than when travelling to places in the interior of Iran.

However, consternation at state level regarding increasing Shi'a power, tensions resulting from Iranian nuclear ambition and territorial conflicts might weaken the centuries' old interchange of transnational families.

Another group of Iranians comprises those who have lived for a long time in Europe or the USA, often since the Iranian revolution, and obtained nationality in their adoptive countries. The economic opportunities available in the cities of the Emirates have encouraged them to develop businesses in Dubai or Ras Al Khaimah, returning to the vicinity of their native land while remaining in a more stable, liberal environment. Iranians who have lived in the West, while not showing up in the UAE's official statistics as Iranian nationals, are keen to develop relations with the younger generation of immigrants who have arrived from Iran's major cities since the end of the 1980s, who in their case come to seek a better quality of life than in Iran, where they see the current situation as holding out little promise. To these may be added some 11,500 (Minoui, 2007) tertiary students, most of whom follow courses in practical subjects in English. The Iranian government also has its own Persian-speaking primary and high schools in Dubai and in Sharjah (seven for the two cities), which adopt the national Iranian educational programme. The majority of students of these high schools pursue their studies in Iranian governmental universities of Dubai, such as Azad University or Shahid Beheshti university. However, according to one the professors of the Azad University, the majority of this university's students are Iranians for the following reasons. It is very difficult to pass the very selective Iranian examination to university, *concours*, while students do not need to pass this test in Dubai to enter Iranian UAE-based universities. The scholarships fees are lower than in other private universities in Dubai and some students living with their parents in the UAE's cities prefer to go to these universities. According to my interviews, some of these students, mostly the second generation of Iranians from the south of Iran who migrated to the UAE more than two decades ago, do not have the appropriate level of English for pursuing their studies in English-speaking universities. Therefore, even though the language of all the courses is officially English, they prefer to study in a Persian environment where the English requirement is less important. Similarly, starting at the age of 18, especially for the male members of the family, these students will need either to seek employment or get student status in order to renew their residency. As some of them grew up in the UAE with their whole family and friends, if they are not able to find a job, they extend their studies at university. Iranian universities, aware of the visa problems of some these students, have adopted a flexible structure allowing them to subscribe in different fields for several years, bringing economic benefits to these universities.

Despite the shortcomings of the Dubai Chamber of Commerce and Industry's statistics on the Iranian population, some general figures give an idea of the importance of their presence. In 2006, 400,000 were living in Dubai (25 per cent of the approximately 2 million people of Dubai) and have moved up to $200 billion of capital into Dubai (Rahman, 2005). 20 per cent of recorded foreign investment in Dubai's commercial centres was made by Iranians. At the same time, 7,000 companies were registered at the Chamber of Commerce as being of 'Iranian nationality'. However, only 3,000 or 4,000 of these companies are believed to be active, with the rest considered to be empty shells by the Iranian consulate's economic aide. Some firms are registered solely for tax purposes, using Dubai as a springboard to export Iranian goods to other countries

Concerning trade and exchange between the two countries, the total value of non-petroleum trade in 2008 was $11.7 billion, of which $9.2 billion represented export and re-export flows from the UAE to Iran. In 2010 the UAE exported or re-exported over $9 billion worth of goods to Iran, and only imported $1.12 billion worth. Iran's trade deficit with the UAE is its largest (Sadjadpour, 2011). In addition, according to a contact at the Iranian consulate in Dubai, who asked for his full name to be withheld, 40 per cent of Iran's petrol (gasoline) imports are from the Emirates, a figure not included in those supplied, which exclude crude oil. The most important export (and re-export) trade for Dubai (and for the UAE after India) is with Iran, whereas the latter is not among the UAE's principal suppliers, occupying 27th place. The significant level of re-export is a result, on the one hand, of international sanctions, and on the other of the non-competitive nature of Iran's port facilities. Following sanctions, some of the main economic partners of Iran, such as China whose commercial relations

with Iran are about $15 billion, prefer to conduct their bilateral relations through the Emirates.

Similarly, the level of investments in the Emirates rose by 50 per cent from 2005 to 2006. The biggest growth was in the real estate sector, which increased from $200 billion to $300 billion. During the same period, Iranians were estimated to be behind 10 per cent to 30 per cent of transactions in the real estate sector (*Iran Daily*, 2006). In 2006, Iranians were, behind the UK and the US, in terms of the most important buyers of pre-construction products in Dubai (Thomas, 2006). The REIDIN report in 2010 still shows the importance of Iranian transactions in the real estate sectors, coming, in order, after Indian, UK and Pakistani actors with 11 billions UAE Dirhams (REIDIN, 2010).[6] These investments reflect the ongoing process of coastal urban sprawl, as a near-megalopolis stretches along the entire shoreline from Ras Al Khaimah in the north to Abu Dhabi in the south, via the Ajman-Sharjah-Dubai conurbation. The activities of the Oriental Real Estate agency are an eloquent illustration of this. Mr Touraj Bakhtiar, founder and director of the company, boasts about his Iranian origins. In an interview with the local press and CNBC TV, he declared: 'I am 100 per cent Iranian and oriental blood flows through my veins', even though he has lived in the UK and France since the age of five. Today his agency contributes to sales of property from Dubai to Ajman and Ras Al Khaimah. A law enacted in 2006 allowing foreigners to own property without time limits, as well as to hold 99-year leases, boosted the development of the agency, which was founded that same year. A large proportion of the company's employees are Iranian. With agencies located in Dubai's malls and shopping centres, Oriental Real Estate's sales staff are skilled in attracting a wealthy Iranian clientele on the lookout for new investments in the Emirates and, if necessary, they are able to speak Persian to facilitate communication. Although there are no statistics available on the number of Iranians who left the UAE after the economic crisis in 2008, some newspapers (*Mohit Joshi*, 2009) as well as some the members of the Iranian business council of Dubai reported that about 30 per cent of Iranian businessmen have withdrawn their activities in Dubai and returned to Iran after the Dubai property bubble burst and the knock-on effects of the global economic crisis hit the Gulf. Added to the crisis, it is important to mention the UAE's policy deciding, under US pressure, to follow, moderately of course, the international sanctions against Iran as, according to my personal interviews with Iranians inhabitants and press articles (Farah Stockman, 2008), it is today nearly impossible to obtain residency for Iranians arriving in the UAE or to open a new bank account, get the credit letters in any Emirate-based bank for business activity owned by Iranian nationals. It seems, moreover, that Iranian investments in real estate, following a logic of speculation, has declined. However, it is not uncommon still to see Iranians continue to buy an apartment or a studio in the new real estate development project in Dubai, because of their low prices compared to some of the same towers in Tehran and, by so doing, to take advantage of the more liberal and free environment that Dubai offers, particularly in its new quarters. Also, as Gholipour Fereidouni and Namdar (2011) suggest from their recent study, the relative economic growth and returns from stock market variables are not statistically significant, meaning that this factor is not the main concern of Iranian investors in regard to real estate investment decisions in Dubai.

While in some cases Iranian origins are accepted, affirmed or even publicised in the media, elsewhere they may be 'veiled'. Ras Al Khaimah, in the northern tip of the Emirates, now benefits economically from an express highway linking it to Dubai in one hour. The new motorway is incontestably one of the main reasons for the concentration of companies and services in this 260,000-inhabitant emirate. An integral participant in the process of coastal metropolisation, Ras Al Khaimah is today attempting to make the most of its location by extending a hand towards both the other emirates in the federation and their neighbouring countries. Saqr Port, the main harbour and the closest to its Iranian counterpart, Bandar Abbas, has traditionally kept up ties with the Iranian coast and Gulf islands via the transport of farm produce and passengers. Two other ports are under construction and will help intensify relations with both the rest of the country and its neighbours.

According to interviews I conducted in 2007 during my trip to the north of the Emirates, a large proportion of companies registered in Ras Al Khaimah are domiciled locally but have little actual activity. The fees paid to the Ras Al Khaimah authorities to register or renew trading licences ensure permanent official status without obliging firms to locate their headquarters there. An added bonus is the opening up of access to the other emirates through these licences. Faced with both their own restrictive national legislation and international sanctions, Iranians have jumped at the chance to make use of these facilities. For example, a curtain-making firm of Iranian origin is based in Ras Al Khaimah, but it holds its business meetings in the hotels of Dubai, the city that provides most of its customers. Most UAE-based Iranian companies also use Ras Al Khaimah as a base for banking, trade and the re-export of goods to Iran.

Some Iranians returning from the West, and from Europe in particular, have nevertheless succeeded in officially establishing their presence in local production. Shares in a major company, RAK Petropak, whose activities are centred on packaging and plastics in collaboration with the country's most important cement maker, RAKCC, are 50 per cent owned by Iranians and 50 per cent by the local government. Nevertheless, the authorities play down or even cover up Iranian participation in Ras Al Khaimah-based projects, though they do not hesitate to solicit Iranians to build up further links with the opposite shore.

A new scene: The Iranian presence in Dubai marked by art activities

While in the neighbourhood of Deira, located in old Dubai along the Creek, Persian signs are more numerous than in other parts of the city, they are not the only marks of the Iranian presence. Added to the lively concentration of Iranian merchants, evidence of a longstanding presence that continues to exist thanks to the nearby sailboat traffic, is the bustle of hotels full of Iranians sallying out to descend on Dubai's *souks* and shopping centres, or spending a night in transit for Abu Dhabi and the US embassy in the hopes of obtaining a visa. The visibility of the Iranian presence in this neighbourhood is no longer representative of its true economic impact. Yet just a few yards further on, in the heart of the newly-refurbished alleyways of the 'Heritage Village' and in contrast with the neo-orientalist, Hollywood-style *medinas* rising out of the surrounding desert, the Iranian presence is undeniable. This district is now the showcase for many Iranian artists, thanks to cultural events such as the 'Bastakia Art fair' and the presence of a number of galleries that display the works of the most sought-after Iranian artists, for example the photography of Abbas Kiarostami or Bahman Jalali, who are widely known and recognised in the world art scene. This phenomenon, although partly confined to the so-called historic quarters of Dubai, plays a supporting role in the new ambitions of the emerging metropolis of culturalisation of the economy (Moghadam, 2012). The quest for globalisation and a creative city compels the city fathers to project a new image of Dubai, not only one of skyscrapers and express highways, but also through creating cultural complexes of which Bastakia, revamped to serve both history and contemporary art, is not the only example. These new policies have paved the way for the emergence of new players and spaces in which Iranians play a very active role. They participate in a network of cultural places from Bastakia, through DFC center and Al Quoz area where some of the most dynamic galleries are situated, and finally the Maddinat Jumeira, which hosts every year the fair of contemporary art of Dubai, Art Dubai, which is one of the most important in the world.

Most of those galleries have been thriving thanks to the development of contemporary Iranian art. Its development first started in 2000 in the outlying industrial area of Al Quoz. Gallery owners are mostly of European or Middle Eastern origin and they, for the major part, started off their businesses in the past decade. Independent of public cultural institutions, the private and commercial sector has a strong impact on the cultural and artistic scene, especially in Dubai, where companies of cultural management, cultural foundations, local cultural centres, galleries, fairs and auction companies are at the root of artistic dynamics of the emirate, while splitting the activity in time and space. In this regard, the Art and Culture Department of the Dubai International Financial Center, which was founded in 2007, has become a leading institution, which lends to groups of artists huge exhibition spaces and serves as intermediary between artists and buyers. It has sheltered, since the end of 2008, about ten galleries and coordinates big projects. It also sponsors the Art Dubai annual fair. Among the galleries of this financial centre, one stands as an exception: the gallery of the collection Farjam (the Farjam Collection), which has non-commercial activities. Farhad Farjam, an Iranian who runs a company specialising in pharmaceutical products, has gathered an important collection of Islamic, mainly Persian, works of art such as manuscripts, carpets as well as ceramics and miniatures, which are displayed in his gallery. This Iranian art collector is the first to have set up a private Art Foundation in the UAE where collections are displayed to testify of the brilliance of the Iranian culture. The Iranian presence in the field of the arts in Dubai is characterised by such pioneer initiatives.

In the Al Quoz district, most of the galleries are located in warehouses and boast vast spaces with high white walls. Dariush Zandi, an Iranian architect, was the first gallery owner to be established in the district. He is the director of a complex designed and built by him. The gallery specialises in traditional and Middle Eastern arts and crafts and aims to discover and expose new artists, as well as enrich the cultural heritage of the UAE. He left Iran when he was 19 to study in the USA and he graduated as an architect. He joined Dubai Municipality, where he was senior architect and town planner from 1981 to 1994. He was the first person, in 1997–8, to erect a block of several buildings in the hitherto deserted district of Al Quoz, in the wake of the culturisation policy of the city. The very first gallery specialized in Iranian contemporary art; then another gallery was dedicated to the contemporary art of the Middle East. Two other galleries specialising in Iranian art also opened in 2005 next to this block. These dynamics also brought some Iranian artists to live in the city. Ramin and Rokni Haerizadeh, whose works are displayed in one of these galleries, are two brothers who left Iran in late 2008 for political reasons related to their controversial work. After a raid on a party in Tehran at a house where one of the paintings (considered as 'immoral' from a religious point of view) was displayed, they were forced to move to Dubai. With the help of a European gallery owner who gave them a studio, they managed to obtain the legal papers necessary to stay there. Today, their works are exhibited in Dubai, Paris, Berlin, London and New York and command a premium in art auctions. London's Saatchi Gallery has purchased a large number of Haerizadeh works. The brothers' residence in Dubai and recent political events in Iran have influenced their work. In this respect, it is interesting to note that since 2009 and after the electoral crisis in Iran, Dubai has begun to play the role of 'country of exile' for Iranians who have had to leave their country, even if these Iranians are not considered to be refugees, but freelance workers or employees.

From the merchant city, which was organised around the Creek and its nascent activities, to the industrial city which was made possible thanks to oil revenues and then on to a post-oil city of services, the Iranian presence has always been strong and sometimes engraved on the urban landscape of Dubai. Today, the demand of a creative city has drawn new forms of migratory flows from the urban centres in Iran or from Iranian communities elsewhere in the world and they are playing an active role in the culturisation of Dubai economy.

Changes to the laws of residence and labour could ensure more stability for migrants and could give rise to the establishment of an Iranian diaspora, made up of artists, intellectuals traders or business people, who may include political opponents. Nevertheless, the Emirate of Dubai, an old friend of the various Iranian governments since the revolution of 1979, may preclude the development of a 'land of exile' scenario, which could be detrimental to economic and political relations with Iran, as the role of the state continues to be eminent in transnational relations. Dubai's severe control of political demonstrations after the election crisis and the ban on certain anti-regime works of art are a reflection of such a trend. At the same time, as mentioned above, the UAE is severely controlling the Iranian presence in its territory following international sanctions against Iran. The future of this somehow paradoxical policy will certainly affect the Iranian presence in the UAE.

Conclusion: A bittersweet dream

In the 2006 film *Café Setareh*, by Iranian director Saman Moghadam, a young Iranian girl called Saloumeh, building on the promises made by her suitor, Ebi, dreams of moving with him to one of Dubai's artificial islands to escape from the poverty and misery of her condition. She draws a picture of the island, with her neighbourhood mosque in the south of Tehran and a luxurious mansion where her handicapped grandmother, her future husband and she will live in peace and prosperity. Ebi's vain attempts to emigrate to the UAE lead him into illegal activities and he ends up in jail. With tears in her eyes, Saloumeh hangs the dream vision of her Dubai island above her bed and awaits the return of her loved one.

Many young Iranians share the girl's longing, but the dream of Dubai leaves a bitter taste on Iranians' palates. This bitterness stems from the spectacular growth of the Emirates, which has left Iran behind. Popular and official opinion reflects this communal Iranian resentment towards the rapid development of the south coast of the Gulf, which has been fuelled in part by the historical presence of a dynamic Iranian community in the region. These sentiments – or resentments – also affect the views of political players. The frontier location of Iranian free zones such as the islands of Qeshm and Kish, just inside Iran's territorial waters, encourages comparisons of respective public policies. If they are seen as lagging behind, this is put down to competition from the Emirates' free zones seducing clientele away from Iranian companies, rather than being viewed as the adverse effects of Iran's own politico-economic model on the design and management of the country's free zones. Similarly, Tehran shared Dubai's ambitions for a long time. In the 1970s, Tehran's Mehrabad International Airport and Iran Air were designed to become what Dubai's airport and the Emirates Airline are today. Dubai's success and its place in the global network of world metropolises sheds its light on Iranian public policy, all the more so since a series of Iranian players of various socioeconomic classes travelling regularly between the two countries report Dubai's rapid ascension. These elements contribute to the fabrication of an image, idyllic no doubt, of Dubai in Iran. But until Iran emerges from its current politico-economic stalemate, Saloumeh, the impoverished girl in Samam Moghadam's film, will continue to nurture her dreams of her beloved's return and their eventual prosperity in Dubai.

Notes

1 While it is impossible to determine an exact number of Iranians in the UAE for various reasons that I will explain in this article, the mentioned number has been confirmed by the economic section of the Iranian consulate in Dubai in 2007 and in some articles in newspapers to which I have referred. In addition, from 2006 to 2010, the UAE population has grown with a growth of 64.5 per cent according to the National Bureau of Statistics in 2011.

2 Before 1971, the UAE was known as the Trucial States or Trucial Oman, in reference to a nineteenth-century truce between the UK and several Arab sheikhs.

3 The first surveys in 2007 and 2008 were part of the Gulf component of the CITADAIN programme ('Comparison of the degrees of integration of territories and the adaptation of law in the Arab and Indian world') financed by France's national research agency, ANR. The latest surveys in 2011 are part of the Gulf component of the SYSREMO programme financed by France's national research agency, ANR. This programme will be going on up to 2013. The results of my personal research have been presented in the Annual Gulf Conference Exeter 2010 under the title 'New identity roles for new development programs in the Gulf: the case of Qeshm'.

4 These are women whose role is to transport luxury goods from Iran's free trade areas into the interior. 'Parachute women' is the colloquial term used in these free areas. See Moghadam, A (2006) *La Zone Franche: Implications Economiques et Territoriales du Projet de 'Qeshm Free Area' dans le Sud Iranien*, Masters dissertation in urbanism and urban planning, Paris IV-Sorbonne university.

5 Stateless populations in the UAE who are represented by two major groups – Arabs (from neighboring countries) and non-Arabs (mainly from Iran and the Indian sub-continent) whose families settled in the Gulf generations ago as merchants or workers but have not been naturalized as Emirati.

6 REIDIN.com is the leading real estate information company focusing on emerging markets.

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