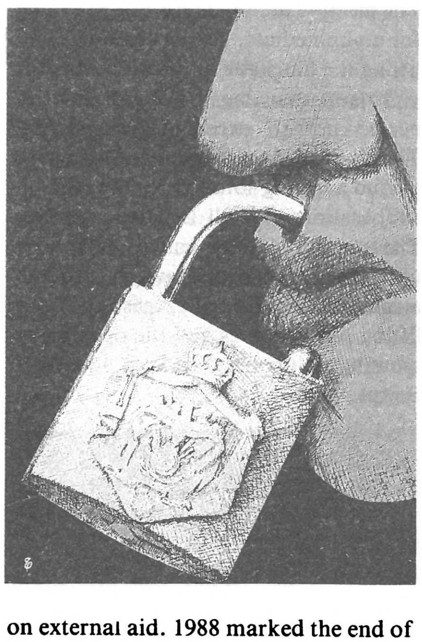
Jordan
Mass Protest

As King Hussein began talks with US officials in Washingtong D.C., his closely guarded home front exploded, rupturing the facade of stability that had prevailed for nearly two decades. Jordanians throughout the southern part of the country took to the streets, protesting the latest price hikes and venting their rage chiefly on government buildings and banks.

The direct cause of the outburst was the government's economic policy, but the mass revolt is not unrelated to political issues. For years, the Jordanian regime has used the Arab-Israeli conflict as an excuse for maintaining martial law, meanwhile striving to buy off significant strata of the population with a degree of relative prosperity. However, the consequences of the aggravated economic crisis proved that Jordan is not immune to the phenomenon of bread revolts experienced by other countries. When taxi drivers in Maan began protesting the rise in gasoline prices on April 18th, they were joined by people from all the strata that are harmed by the government's economic policy. Over the next five days, the revolt continued and spread to Kerak, Tafila, Petra, Mazar, Ghor al Safi, Salt and the surrounding villages, as well as Tayyeba farther north and Jabal al Tareq on the edge of Amman; demonstrations occurred at the University of Jordan in Amman and Yarmouk University in Irbid in the North. The regime dealt harshly with the protestors; the army and security forces opened fire on the people. Under the cover of curfews and a partial media black-out, 18 people were killed and about 200 injured, in addition to approximately 300 arrests.

THE ECONOMIC BACKGROUND

The price rise that sparked the uprising was a consequence of the agreement with the IMF announced by the Jordanian government on April 14th, which also entailed an increase in direct and indirect taxation, selling out public companies and other measures as part of a package deal whereby Jordan would get aid to reschedule its $ 6.5 billion debt. This was the latest downspin in the economic crisis which burst into the open in November 1988 with the collapse of the Jordanian dinar's exchange rate; its roots, however, lie in the dependent nature of the economy and the regime's reliance



on external aid. 1988 marked the end of the steadfastness aid allotted to Jordan by the oil-rich Arab countries at the Baghdad Summit of 1988. This compounded with other negatives trends in the economy, such as the decline in remittances from Jordanian citizens working in the Gulf after the fall in oil prices, and the reversal of the economic boom which the Gulf war had sparked in Jordan in its initial phase. Moreover, Jordanian exports were affected after the Central Bank ceased loans to many domestic industries, and domestic investment stagnated.

What remained was the aftermath of irrational overspending and growing dependence on imported goods, many of them luxury items, in line with the growth of the parasitic commercial-bureaucratic bourgeoisie. In the past period, about 70% of the GNP went to finance imports, half of them consumer goods. On the other hand, the deficit in the Jordanian budget rose to constitute 22% of its GNP, with Jordan owing $1.2 billion on its $6.5 billion debt by the beginning of this year, according to the Central Bank.

The growing dependence on imports in line with the growth of the parasitic bourgeoisie has led to further distortions in the Jordanian economy where the service sector accounts for 60% of the GNP, while agriculture and industry combined account for only 26%. Productivity has even declined with more than 35 industrial companies declaring bankruptcy in the past two years, according to official state reports. At the same time, corruption has grown rapidly, and big capitalists simply smuggle money out of the country, further compounding the currency crisis. Giving more maneuver room to the private sector has diminished the role of the state in the economy, particularly in the field of consumer protection, leading to waves of inflation and widening class differences.

The various measures taken by the regime to stem the crisis have been superficial and ineffective, and the burden on the ordinary people has become unbearable as seen in a few statistics. In early April, a senior Jordanian economist and former minister put per capita income at $1,050, as opposed to $1,700 annually according to the World Bank in the early eighties; the same expert put unemployment at 20% (AP, April 4th); some sources estimate that unemployment is much higher. This occurs in a period where the government's economic policy has only meant price rises, and direct or indirect reduction of employees' incomes. Obviously, those with limited ▶