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BEHIND THE FRONTLINE OF THE BELGRADE WATERFRONT: A RECONSTRUCTION OF THE EARLY IMPLEMENTATION PHASE OF A TRANSNATIONAL REAL ESTATE DEVELOPMENT PROJECT

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Abstract: In 2012, plans were announced to develop a large-scale mixed-use waterfront project along the Sava River in central Belgrade. Within 30 years, the 80-hectare site is projected to contain the region's largest shopping mall, alongside thousands of square metres of luxury apartments and high-end offices. Promises of a 3.5 billion euro investment from the United Arab Emirates associated with this real estate development project quickly led to polemical interactions and tensions between the plan's supporters and critics. Based on a variety of qualitative methods, including in-depth interviews conducted in Belgrade, Dubai and Abu Dhabi, we will outline the strategies and actions that key actors and stakeholders undertook, particularly during the project's early implementation phase in 2015 and 2016. We will illustrate how these interactions and tensions between and among the actors took place on and across different scales. Prior to empirical investigation of confrontational actor-relations, the paper will concisely discuss how Belgrade Waterfront fits into a wider global trend of "world city entrepreneurialism" and associated state rescaling processes. On that basis, the paper will then focus on how this transnational real estate development project, despite claims that it will increase competitiveness and employment, came to be perceived as a potential threat by its opponents (who assume that it will trigger uneven development and functions as a catalyst for authoritarianism). This brings us to the focal point of the contesting voices and actions arrayed against this project, which revolves primarily around claims that the "public" are being excluded during its implementation.

Keywords: Belgrade Waterfront, world-city entrepreneurialism, real estate development, power relations

Introduction

“Eagle Hills develops flagship city destinations that invigorate aspiring nations, [h]elping countries raise their global profiles to new heights”
(Eagle Hills, 2014)

“Belgrade Waterfront takes urban renewal to new heights – a smart city for a future that combines commerce, culture and community”
(Eagle Hills, 2014).

The above quotes are just two examples of the many catchy proclamations with which readers were confronted in the original official brochure of the “*modern centre of excellence*”, presented to the public shortly after the project was announced. Belgrade Waterfront (BW) is a transnational real estate development project in Serbia’s capital that is currently being realized on a mostly derelict, yet centrally located site along the river Sava, to the rear of the city’s 19th century central railway station. Within 30 years, the site, covering almost 80 hectares, is intended to contain a 200-metre-tall tower, a large shopping mall and mixed-use spaces for working, living and leisure. The project, which has taken shape as a joint venture between a United Arab Emirates (UAE) based investor and the Republic of Serbia, has caused significant controversy and brought rise to struggles between different socio-cultural actors representing a variety of scalar positions and hierarchies. The overblown ambitions and promises that accompanied promotional activities during the project’s early implementation phase attracted the attention not only of potentially interested investors and buyers, as was intended, but also that of a variety of (local and international) journalists and academics, who more often than not placed particular emphasis on the concerns of critical voices opposed to the project.

Indeed, the case of Belgrade Waterfront offers a unique opportunity for scholarly reflection from multiple interesting analytical angles. Researchers have thus far focused on four areas: the role and strategies of actively resisting social movements (e.g. Matković & Ivković, 2018); the public interest and participation or the lack thereof (Lalović *et al.,* 2015); changing institutional frameworks (Zeković, Maričić & Vujošević, 2016) and the active, top-down role of (those acting on behalf of) the state (Grubbauer & Čamprag, 2019; Koelemaij, 2018); and finally the displacement of informal settlements (Stanković, 2016). Our goal in this paper is to integrate those insights, and to reconstruct the early days of Belgrade Waterfront by adopting an agency-focused, relational analytical approach.

The main intention is to reflect upon existing power relations behind the project while assessing to what extent it is possible to speak of "scalar hierarchies" in this particular context. Additionally, we will evaluate strategies adopted by the project's main stakeholders and the underlying rationales they serve. In order to do so, we have conducted in-depth interviews with numerous stakeholders who were closely involved with the project, either directly or indirectly. Our respondents can be identified both as supporters, who personally or professionally approve of the project, and as opponents, who disapprove of the project for a variety of reasons and from a variety of backgrounds. Additionally, city and national-level policy documents relating to the project or to spatial planning in general were extensively analysed.

Due to on-going changes to the project's design and legal status, as well as the constantly shifting frontline between opposing and supporting actors, this chapter is confined to the project's early implementation phase: from the summer of 2014 to the summer of 2016. Taking an agency-focused approach as essential to obtaining insights into the social, economic and political dimensions behind global urban policy-making, we set forth from three main research questions. In short, we aim to exploratively reveal *which actors* act on behalf of which structures and institutions, to observe *how* they act and to understand *why* they act the way they do. This approach allows us to engage with on-going debates in the academic literature that question the notion of state rescaling as it pertains to world city-entrepreneurial projects (e.g. Golubchikov, 2010), as well as with the generally accepted logic behind speculative urbanism in so-called frontier capital markets.

Prior to presenting the Belgrade Waterfront project in more detail, Section 1 will briefly discuss how the term "world city entrepreneurialism" has been understood thus far. Subsequently, in Section 2, we explain and justify the methodology employed. Section 3 discusses the main events relating to the launch of Belgrade Waterfront and the reactions and tensions the announcement triggered, as well as identifying the key actors and groups who have raised their voices against the project. Similarly, Section 4 reveals how actors on the other side of the frontline have defended and justified the project. In Section 5 we analytically discuss the power relations between these different actors, which attitudes and interactions accompany their positions and how this relates to the scales on and across which they operate. In the concluding section, we argue that the main incentives for all of the involved stakeholders are, to a greater or lesser extent, to gain symbolic capital from the Belgrade Waterfront project.

1. World City Entrepreneurialism and its Speculative Urban Practices

When David Harvey (1989) wrote his seminal paper on urban entrepreneurialism, he first and foremost expressed concerns on how the increasing focus on inter-urban competition not only led to changing trends in urban governance and policy but also that this new fashion had macroeconomic consequences. Public-private partnerships facilitating speculative urban development projects became a widespread phenomenon in North American cities from the early 1980s onwards. Harvey noted that this new type of boosterism implied that local governments often took on the financial risks, while the private sector took the benefits. In what proved to be prescient, Harvey (1989, p. 10) further noted that one of the features of urban entrepreneurialism would be that "it may even force repetitive and serial reproduction of certain patterns of development (such as the serial reproduction of 'world trade centres' or of new cultural and entertainment centres, of waterfront development, of post-modern shopping malls, and the like)".

In the three decades that have passed since, numerous studies have shown that urban entrepreneurialism is not only a US phenomenon. Moreover, inter-urban competition has been upscaled and, since the beginning of the new century, it appears to have become fashionable for many urban policymakers across the globe to try to put their city "on the map" through city marketing campaigns and flagship architecture, in order to improve the city's so-called global status. While it started out as a critical academic concept (Sassen, 1991, see also Van Meeteren, Derudder & Bassens, 2016), the global city has in recent years increasingly become an aspirational category, due to the growing influence of transnational consultancy firms in global policy-making, as is frequently highlighted in the burgeoning policy mobilities literature (e.g. Prince, 2012). According to Leon (2017), who describes this trend as "municipal mercantilism", such interventions require an active state (contrary to neoliberal assumptions) and they reinforce class relations.

Although similar observations about the active role of the state in urban entrepreneurial projects are now being more widely recognized, the key question remains precisely which state actors are to be most involved. Framed differently: "which actors act on behalf of the state?". It seems that in most cases, urban entrepreneurial projects in "emerging" or "developing" economies, particularly larger scale projects, still rely on the close involvement of central, national-level governments (Golubchikov, 2010). It is they who often initiate and facilitate boosterist policies with the aim of

eventually asserting the political elite's power position. Policies and projects such as these often have a very speculative and experimental character, meaning that the financial outcomes are uncertain, thus involving high-risks where public money is involved (Goldman, 2011; Goodfellow, 2017; Lauermann, 2018). This is a phenomenon that has thus far mainly been witnessed in the Global South, namely the Middle East (Acuto, 2010; Wippel et al., 2014), Asia (Ong, 2011; Olds & Yeung, 2004) and Africa (Watson, 2013). When a world city entrepreneurial project is also being facilitated by foreign capital, such as in the case of Belgrade Waterfront, an interesting additional layer is added in terms of governance dynamics. What makes such cases particularly interesting is that while both the providing foreign or "global" investor and the receiving "domestic" government share some similar goals, their respective incentives and rationales for becoming involved in these kinds of projects can simultaneously differ.

2. Doing Global Urban Research Relationally: A Matter of Methods

In the same year that Harvey published his urban entrepreneurialism paper, Manuel Castells (1989) came up with his concept of the (global) "space of flows", arguing that spaces and cities are continuously being produced by what (transnationally) flows through them. This epistemological shift implies an almost unequivocal compliance with the coexistence of multiple spatial arrangements (Löw, 2016; Low, 2017; Janković, 2015) – *inter alia*, subtracting the assumed fixity of spatial affairs. It has additionally inspired many urban studies scholars who have since applied those conceptual thoughts in a variety of ontological ways, ranging from the more structural (e.g. Taylor & Derudder, 2015) to post-structural and assemblage approaches (e.g. Jacobs, 2012; Allen, 2016; Amin & Thrift, 2017) and everything in between (e.g. McCann & Ward, 2010). With the intention of comprehending the global networks and negotiations that underlie Belgrade Waterfront, and thus of focusing on the geographies of governance behind the project, our approach endeavours to combine a political economic narrative with insights derived from some useful elements of topological and assemblage analyses. In line with Büdenbender and Golubchikov (2017, p. 81), our "take on assemblages is more tactical than ontological" and is thus located somewhere in between the sharp divides, as it acknowledges the existence of structured realities whilst concurrently seeking to trace how they are composed. While allowing us to find out how state authority is being socially constructed through the role of dif-

ferent actors and materialities (see Allen & Cochrane, 2010; Sassen, 2008), this approach enables us also to assess how different scales are socially constructed through relationalities (Massey, 2005). The major advantage of this approach is that it makes possible to discern the mechanisms through which world city entrepreneurialism operates, while also taking into account the various and often-conflicting tonalities that actors display in relation to this project.

Thus, rather than force our observations into neat and harmonious patterns, we intended to extract as much as possible from the recent restoration of processual thinking (e.g. Abbott, 2016) and "agency-driven" methodological prescriptions. If the maxim proposed by Desmond (2014, p. 565), "processes live in relations", is truly adopted it then appears necessary to reject the view of (collective) actors as "culturally bounded", allowing them instead to create boundaries through conflict permeated by a distinct moral grammar and interpretative strategies. Such methodological approaches make it possible to retrieve the enduring pursuit of power, recognition and resources that exists within urban affairs and particularly in defining "public space" (Vigneswaran, Iveson & Low, 2017). Still, the focus set on the field where these relations enmesh, seeks to go beyond merely registering relevant actors and aims to discern the very rationale of action or involvement. As Hoyler and Harrison (2018) state in their concluding remarks in the recent edited volume, *Doing Global Urban Research*, a trend towards agency-focused research has indeed helped in sharpening analytical lenses. Namely, they argue that having asked and answered the "who-questions", "questions that begin with '*what*' and '*where*' will help you define the scale and scope of their agentic role in the global urban; those starting with '*how*' will allow you to uncover the strategies and mechanisms that enable the actor(s) to fulfil this role; and '*why*' questions will help to unpack their motivations and interests" (p. 227).

To unravel exactly these research questions regarding the Belgrade Waterfront project, we have made use of a variety of qualitative research methods and conducted fieldwork research at different locations. Between August 2015 and August 2016, we conducted 14 in-depth interviews with a total of 21 stakeholders in Belgrade, including politicians, consultants, civil servants, journalists, academics, activists and businessmen. In the selection procedure we aimed to find a balance regarding their *pro* or *contra* attitudes to the project. In every interview we asked the respondent to not only reflect upon their own involvement regarding the Belgrade Waterfront project but also to share their knowledge with us on what they thought about the power relations and motivations behind certain actions. In this way we were able to familiarize ourselves with whatever took place

"behind the frontline" of the project but it also allowed us to better understand why it is that the different opposing groups make use of different strategic discourses. The insights that we derived from this collected material was supplemented by thorough analysis of several policy documents (mainly issued by the Republic of Serbia and the City of Belgrade), as well as advertising brochures issued by the Belgrade Waterfront Company. Additionally, during the spring of 2018, 13 interviews were conducted with real estate development experts in Dubai, Abu Dhabi, London and Amsterdam. Some of these provided us with important insights into how UAE-based developers generally perceive transnational real estate development activities.

In the remainder of this paper, we will gradually construct our concluding arguments according to the "show, don't tell-principle". A relatively large number of quotes will be shared, not only to make the text more vibrant but even more so to illustrate the actor-perspective in practice as accurately and as authentically as possible.

3. A New Skyline for Belgrade: The Main Criticisms

The introduction to this chapter reveals some of the main characteristics of Belgrade Waterfront or at least how it was presented during its first announcements in 2013 and 2014. According to Radosavljević (2008), the *Amphitheatre* site, on which Belgrade Waterfront is being constructed, has for quite some time been regarded as a site that could potentially yield political and societal support for ruling political elites. Over the past century, there had been several plans and proposals to develop this centrally located site but they remained unimplemented for various reasons. This situation changed from the moment that Aleksandar Vučić rose to power, from his becoming deputy prime minister in 2012, prime minister in 2014 and eventually president of the Republic of Serbia in 2017. During earlier electoral campaigns, he assured voters that he had found a foreign investor that was willing to help the country to finally develop the mainly unused site along the Sava River, and thus to contribute to the city's "global profile".

During 2014, large billboards and advertising exhibition spaces showing a model of BW emerged throughout Belgrade's city centre, attracting a lot of attention, from journalists, architects, activists and academics, both domestic and international. Another factor that contributed to the profile of the project was, as has already been mentioned, the striking amount of foreign direct investment (purportedly €3.5 billion) that was quickly

emphasised by those directly involved. Moreover, Vučić himself, the prime minister at that time, and Siniša Mali, then mayor of Belgrade and a member of the same political party as Vučić, often acted as a spokespersons and ambassadors for the project. From the investor's side, the well-known real estate developer, Mohammed Alabbar, who has been the chairman of Dubai-based developer Emaar Properties for over a decade, presented himself as the man behind the project. It is known that Alabbar has close ties to Dubai's long-time ruler, Sheikh Mohammed bin Rashid Al Maktoum, while also being a member of the Dubai Executive Council, a position that gives him a voice in the country's economic, geo-economic and political strategies – something we will return to at the end of this chapter.

As has already been indicated, initial reactions to the presentation of the BW model were generally fairly sceptical and critical. Accusations of perceived corruption and naivety behind the project went hand in hand with those stressing a mismatch between such an "elite-serving" project and the apparent lack of demand for it. The actual motivations behind the project remained largely opaque. The extent to which BW would serve the "public interest" thus quickly became a central issue. While urban theory has consistently emphasised the politics of dissent (e.g. Smith, 2005), it has hardly been "engaging directly with the ongoing discord that is a characteristic of many urban political contexts" (Phelps & Valler, 2018: 83). Generally speaking, the project was opposed from its earliest moments predominantly by urban civil society groups such as activists, professionals (journalists, architects and urban planners with links to NGOs), academics and opposition politicians. A shared social commonality among these actors is either their privileged academic careers or the rich professional experience they were able to garner in fields such as architecture, planning or journalism. This common ground helped shape the bulk of the criticism levelled at the project itself. We identified six main points that nearly all of the "opposing stakeholders" advanced during our fieldwork. These were: 1) the top-down way in which the project had been imposed upon them; 2) the illogical design and "inverted" implementation of the project; 3) the project's elite-serving and supposedly "exclusive" elements; 4) the neglect of existing planning laws and regulations; 5) the lack of transparency regarding planning details and the amount of public money that was involved; and 6) allegations regarding personal enrichment, money laundering and/or corruption.

The fact that the ruling political elites in Serbia and Belgrade "instantly" came up with an investor and almost immediately presented a model frustrated many of the aforementioned groups. Two representatives of the activist initiative *Ne da(vi)mo Beograd* (which means *We Won't Let*

Belgrade D(r)own in English) with whom we spoke indicated that they found it worrisome that there had not been any international competition for the design of the project, as required by Serbian law. As an opposition politician from the City Assembly stressed:

> "It is not possible that the mayor, or anybody, decides alone. This is what Tito did and Hitler and Stalin and Mao Zedong, but [this can] not [happen] today. There is an obligation to conduct an international competition, [to look] for architectural solutions" (Opposition politician, City Assembly).

While a public hearing was organised in 2014, during which citizens were invited to come up with alternative ideas or solutions, several of our respondents were convinced that all alternative proposals had been ignored:

> "Nobody asks the municipality anything... Only if we have, when they change some urban plans, all Serbian citizens can give their suggestions; municipalities can also give their suggestions but, you know, nobody takes them into consideration" (Municipal Architect, Savski venac).

The top-down implementation of the project was reaffirmed by employees of the Urban Planning Institute of Belgrade, who admitted that their role in it was fairly limited:

> "It was on the state level. It was on the top level. It was on the level of the prime minister, I think, so it was something that had been decided before our [Master] plan." (Civil Servant, Urban Planning Institute).

Furthermore, it was not surprising that immediate and uncompromising criticism of the project's Master Plan came mainly from members of the Serbian Academy of Architecture. Apart from disapproval based on personal taste, they mainly disregarded the design as being "childish" and "empty", while they highlighted the lack of integration into the city's wider urban fabric – such as, for instance, in terms of issues relating to mobility. All in all, it seemed to them as though the plan had been simply copy-pasted from previous developments in the UAE, although the people from the Urban Planning Institute of Belgrade denied this. As one of our respondents, an emeritus professor who also held positions in public spatial planning agencies, put it:

> "Of course, what we saw was really funny. No studies [had been done]. No feasibility studies, no calculations. Nothing. It is just for small children, you know. [They] prepared some nice pictures and put two sentences under each picture, and that was all. The city, the state, they have [communicated] nothing about controlling financial, economic or ecological implications or whatever" (Urban Planning Consultant).

In line with that, many opponents of the project expressed concerns that BW failed to follow normal planning procedures:

> "[...] usually, like in any state in the world I think, the first steps are to make a plan, to discuss it with stakeholders, to adopt the plan, to make it official, then to make a project, then to get construction permits and then to do marketing, yeah? But here, everything was mixed. First there was the model, then the project, then the plan" (Municipal Urban Planner and Consultant).

While these criticisms almost unanimously tackled the developers' lack of professional competence and deviation from standard procedure, they also displayed a renewed commitment to shaping public spaces and the possibilities thereof (Vigneswaran, Iveson & Low, 2017). The third main point of criticism was mainly ideological and referred to the exclusionary nature of building an elite-serving waterfront project which comprises only luxury apartments, retail and office space. Many respondents ridiculed the conspicuous lack of feasibility studies and, more importantly, expressed serious doubts – based on the rather limited size of the Serbian real estate market – about whether there would be sufficient interest in the large quantity of residential and office space proposed. Despite all the rhetoric on increasing competitiveness and employment, opponents have seen it as a potential threat, assuming that the project will trigger uneven development and act as a catalyst for authoritarianism. These worries were mainly expressed by activists with links to Ne da(vi)mo Beograd. Although the BW site had indeed been derelict for decades, a number of abodes remained, the inhabitants of which had to be relocated when the site was cleared in preparation for construction. Although government representatives argued that these domiciles were "illegal anyway" and that they had been generous in offering compensation to the inhabitants so they could relocate, many of our respondents had their doubts about whether the relocations were socially just:

> "Everything there was... not state-owned, it was publically owned... It was a system in former Yugoslavia, so you were a shareholder in your company and then the company would give you an apartment. And they got a promise and they got the apartment in the beginning of the 1990s, but then the civil war happened and everything, households, went to the private sector and stuff like that" (Activist 1).
>
> "...But they were not illegal, that's important. They just needed to transform from that form of ownership to the new one. So, they had the right to live there, given to them by the railway company. So yes, they are not the owners of this place but they are not illegal. They live there" (Activist 2).

In addition to this, all of the opposing groups stated that the implied price of housing in BW would result in a sharp mismatch with the average income in Belgrade and would thus be unaffordable for the vast majority of people:

> "We have so much office space here in Belgrade that is actually empty. And you cannot rent it or sell it or... So, who is going to come to rent an office here? Or to buy an office, or to buy an apartment? Who? The salary here in Belgrade is around 450 euros per month. In [the rest of] Serbia it is 350. It's... impossible to imagine..." (Urban Planning Consultant).

Apart from the supposed lack of demand for so much high-end residential and office space, several respondents indicated that they were afraid the project would become too much akin to a gated community, lacking public space and essentially rendering the Sava riverbanks private space. Probably the fiercest point of criticism related to the alleged illegality of the proposed plans and the fact that new laws were introduced in order to meet the developers' needs. In 2015, the Serbian government declared the project to be of "national importance", which justified pursuing a so-called *Lex Specialis* (Službeni glasnik RS, 7/15) – i.e. a special law that would apply only to BW and which overrules existing laws regarding planning permission, while simultaneously serving as a permit allowing construction to begin. As a result of the *Lex Specialis*, all limitations on the permissible height of buildings or the required ratio of buildings with "public functions" were stripped away. The ease with which existing laws were being bypassed led to indignant reactions amongst the project's opponents:

> "[It started already with the] railway station, [which] is officially cultural heritage. It was built in 1884. The facade is protected. So, it's impossible to put anything on that facade because it's protected. But they built an enormous, gigantic commercial billboard [in front of it]. So, I, as a member of the assembly, I asked: 'how is it possible?' Where are the inspectors? Where are the police?"
>
> "Eagle Hills is a private, commercial company. So, you know, they just ignore the law. The city ignores the rules of the city. Any other private company would have had big problems to find advertising space. You know it's [usually] very expensive, it's very difficult to find a place, and they [just came and] have this... So, there is no law in this country, it's the Wild West..." (Opposition politician, City Assembly).

Both activists and architects emphasised that they were not necessarily against foreign investment – stating that there is a conspicuous contrast between an investor who manages to comply with local laws and one that just benefits from close ties with local political elites. The initial lack

of clarity and transparency regarding the amount of public money that was involved in the project was repeatedly highlighted as a major concern. This contributed significantly to rumours that BW was either a big confidence trick that naïve politicians were unaware of, or that it was a mechanism through which they could eventually enrich themselves:

> "All investments are welcome, we don't have enough investors here, of course we need international investors, they're welcome.... But we cannot be a part of contemporary Europe if we do not respect the rule of law" (Municipal Urban Planner).
>
> "There is no development without investment, so let's be clear about that... But you have to make it transparent, you have to have a system that defends your rights, the rights of the citizens. And that's what never happens here. I mean, you have the system of laws and you have the investor and then you change the laws, you're not defending the interest of the people who vote for you" (Activist 2).
>
> "They are going to have a contract, which is still secret, we don't know anything about the contract. So, I suppose that Belgrade has the obligation to prepare the site, for such large costs, and we are not going to be able to fulfil that and they're going to sue us, to get some extra money. And to share that with the government, and that's the idea." (Municipal Urbanist).

4. Mutual mystifications?

A contract was indeed signed in April 2015 by the Serbian Minister of Construction, Traffic and Infrastructure, Zorana Mihajlović, and the Chair of the Managing Board of Eagle Hills, Mohamed Alabbar, who simultaneously represented Belgrade Waterfront Capital Investment LLC (the "Strategic Partner"), Al Maabar International Investment LLC (the "Guarantor"), and the Belgrade Waterfront Company (a re-branded name for what used to be the local subsidiary of Eagle Hills). This contract was, seemingly as a result of increased public pressure, made publicly available a few months later (Joint Venture Agreement – Belgrade Waterfront Project, 2015). It mainly contains information about how the newly established "public-private"[1] Belgrade Waterfront Company is organised. While the legal and operational details of this contract are more extensively discussed by Grubbauer & Čamprag (2019) and Koelemaij (2018) respectively, the most important thing to note here is that the project does not contain even close to €3.5 billion of direct investment

1 Although, the usage of the notion "public-private" is somewhat tricky here as it was admitted to be mainly a government-to-government agreement, see also Section 5.

and that it will be developed in multiple phases, whereby the Republic of Serbia is responsible for preparation of all basic utility infrastructure and services, while the "Strategic Partner" is responsible for development of the project in co-operation with a select number of partner companies. An example of the latter is the US-based "global architectural company" RTKL, which was repeatedly mentioned as responsible for designing BW's "master plan".

When we discussed increasing concerns regarding the project's lack of transparency with two managers at Eagle Hills (later the Belgrade Waterfront Company), both of Serbian origin and with degrees in international business and finance from US universities, their reaction was twofold. Firstly, placing at the forefront the logic of markets as an impersonal force regulating their work (West, 2017), they asserted that many details were deliberately kept secret precisely because they had to adapt rapidly to "a fast-changing market". Secondly, they admitted that it may as well be better for public opinion concerning the project if they revealed more details about their plans. This eventually happened to an extent when the contract was later made public. They did, however, also acknowledge that most of the main decisions came from the Eagle Hills head office in Abu Dhabi and that thus they did not always have that much impact on the way the project was being implemented – although they did emphasise continuous interaction with Abu Dhabi. This was also carefully admitted by the Belgrade Mayor's Chief of Staff, who simultaneously holds a position on the Supervisory Board of the Belgrade Waterfront Company (even though it is a "project at the state level") and who explains that "only me and Siniša Mali were there from the beginning and are therefore 100 percent acquainted with the project":

> "We are not dealing with that (advertising campaign), it's an investor-story you know... they provide the finance and they're taking care of the project, because that's something that they do the best, you know. We cannot do that... But it's... Now, you have (the situation) that the government is defending the project more than the investor itself, you know..." (Mayor's Office Chief of Staff).

While he did acknowledge that this limited decision-making power was sometimes a bit frustrating, he also accepted and justified these uneven power relations by stating:

> "That is investor-urbanism... ...In this kind of world, you have multinational companies, big companies that have businesses all over the world. They already have that knowledge, you know, they have that know-how" (Mayor's Office Chief of Staff).

As a counter-accusation to the allegation that Serbian government institutions were too secretive about the project, it was rather contradictorily, repeatedly stated that critics of the project continually and deliberately "mystified" things:

> "...it's again, that mystification, you know. It [would be a] problem for [every] single investor in the world, to invest only in equity. Now [we have] one [that] is investing in equity in that amount...[Normally] when you have a real estate project, you will go into classic project financing, you are going to the banks, and tell them 'ok, this is what I have'. But for political reasons, and we know how people are going to [perceive that as if] 'we were selling our land for not even a dime', but we are not selling, we are leasing it, but when we show that to them they go like 'ok but that's the same'. It's not the same! Then of course, when you build real estate, you will offer apartments for pre-sale, [...] it's normal, you know, it's business, it's everyday business things, you know... But people don't know that, they will always mystify something" (Mayor's Office Chief of Staff).

The aforementioned Eagle Hills representatives also argued that their biggest challenge was to "create a belief amongst the people", since according to them, "there was a lack of knowledge in Serbia about how present-day business is conducted." According to them, people still relied too much on the state to look after them, and they should accept that "changes in the law are necessary for the international property market" and that "nations should be competitive with their tax and visa-regimes." In order to create some trust and constancy regarding the project, Eagle Hills decided to open a publicly accessible exhibition space as an advertisement for the project, right next to the future construction site. For this purpose, they renovated a dilapidated building, making it possible for supporters of the project to claim that "in a few years time, this whole part of Belgrade will look as beautiful as this". They also launched an immense advertising campaign as a "legitimizing" strategy that imbues the public with what one researcher recently termed "affective promise" (Dekeyser, 2018). Furthermore, the civil servants, politicians and private actors who defended the project all emphasized that Alabbar and his other company "Emaar Properties" had a very reliable reputation across the globe:

> "Look at what happened in 2007, when we had the global financial crisis. Many investors worldwide pulled back their investments, but Emaar did not, they kept their promises" (Mayor's Office Chief of Staff).

Another common message amongst the executives of the project was that they continuously downplayed its size or significance, emphasizing that the project was in fact "nothing special". Neither within the context of

Belgrade, since "the development of *Novi Beograd* was a lot bigger" (Acting Director, Belgrade Land Development Public Agency), nor internationally:

> "Because Emaar, the company that is managed by Mr. Alabbar, in 2000-and... I think that was 14... they had 52 projects all around the world... A new one being launched every week. In one year, 60+ billion of investments for just that team. So, it's not that we [in Belgrade] are something special, something that they are not used to do... So, it is not something that was happening because, you know, someone was whispering in the sheikh's ear or something... No, these guys are developing mainly in Africa, and I think also in Kazakhstan, Azerbaijan and so on. So those are their main projects, and we are just one of them, so..." (Mayor's Office Chief of Staff).

In the next section, we will take a closer look at the power relations behind the early implementation process of BW, supplemented by insights that were acquired through interviews with real estate development experts in the UAE. These subsequently also allow us to reflect on the *why questions*, or the incentives that lie behind the project and have caused so much controversy.

5. Rationales and Relationalities

If BW can indeed be categorised as "unexceptional" in any way whatsoever, this can only be because other transnational real estate development projects operated by UAE-based companies are equally lacking in transparency. Based on online research and interviews conducted with real estate development experts, we have found that many of those transnational schemes are actually not as "big" or as "successful" as the Mayor's Office Chief of Staff assured us. Although multiple respondents in Abu Dhabi and Dubai did acknowledge Alabbar's "cleverness" in many ways, they also assured us that his transnational activities were in fact rather experimental:

> "What they did is that they formed a new company called Eagle Hills. So, Eagle Hills is a master developer, based out of Abu Dhabi, it's effectively [the] Abu Dhabi Government, "royal family money"... It's run by Alabbar and he's doing exactly the same as he did with Emaar International... He's doing huge schemes, all over the world and, so far, he's been making a complete mess of it" (Real Estate Development Consultant).

Later in the same interview, the respondent further explained why he thought many transnational real estate development projects by UAE-based companies were failing:

> "Alabbar tries to apply Dubai principles to his projects. And those projects do not work the way that Dubai works. You know, in Dubai or Abu Dhabi, if he wants to get consent, he will just go ahead, and Emaar will go ahead, and they will go and start building, even though they haven't got a building permit" (Real Estate Development Consultant).

Additionally, several UAE-based real estate development consultants who we interviewed also highlighted the fact that feasibility studies, which should always be the starting point of a development project, were frequently not taken too seriously when it came to transnational activities. According to the experts, another reason why many of them have not been very successful in the past – apart from unexpected political regime changes or the global financial crisis – is that it is extremely difficult to successfully develop a project while retaining the main command and control function at a headquarters in Abu Dhabi and without having a solid team on location.

As we have already shown, this corresponds to statements by local representatives of Eagle Hills (the BW Company) who we interviewed. Although they were of course involved in the project's implementation, the main decisions continued to come "from above" – i.e. from Abu Dhabi. Whilst the local representatives firmly and repeatedly stressed that the primary motives behind the project were economic, explaining that it "would attract the wealthy Serbian diaspora", and that the "psychology of people is similar everywhere, so we will build it and they will come", our respondents from the UAE almost unanimously argued that transnational projects were instead mainly driven by political motives. During the early implementation phase of BW, some journalists revealed that the project is not self-contained and that it is part of a wider bilateral agreement that also includes deals in other sectors (e.g. Wright, 2015). This was also, albeit a little hesitantly, alluded to by the Mayor's Office Chief of Staff:

> "Just so you understand, it was G to G business... Government to government. We have those... bilateral agreements, signed with them" (Mayor's Office Chief of Staff).

These findings tell us a lot about the actual motives behind the project. Despite on-going rhetoric on economic incentives, such as "providing jobs", "attracting creative businesses" and "increase Belgrade's international competitiveness", the motives do indeed seem to have been mainly political and geopolitical (see also Barthel & Vignal, 2014 and Büdenbender & Golubchikov, 2017 respectively). The developer, being ostensibly private while possessing close social and financial ties with the government in Abu Dhabi, operates across scales, selectively co-operating with a *growth*

coalition including international consultancy firms as well as local and national-level politicians, civil servants and companies in Serbia. Although the investors do of course hope to realise some return on their investment into BW, it is clear that other bilateral agreements are a more attractive part of the portfolio. Furthermore, UAE elites aim to expand geographically to gain and maintain legitimacy and visibility or, in other words, to increase their "symbolic capital" in order to "stay on the map" (see also: Wippel *et al.*, 2014).

For Serbian political elites, the project also clearly serves to assert their power position. Despite all the controversies and resistance regarding the project, Vučić was re-elected in 2017, indicating that a large proportion of the electorate continues to have faith in him. In a way, BW can be regarded as a scale-making project for the Vučić administration. Since his party, SNS[2], currently holds a majority position in both the national and the city assemblies, they are able to "move" actors from one level to another with relative ease. This is for instance illustrated by the Mayor's Office's Chief of Staff's simultaneous role of being on the Belgrade Waterfront Company's Supervisory board or the former Mayor of Belgrade, Siniša Mali, who recently became the Minister of Finance. Furthermore, the fact that Mali has travelled across the globe to promote the BW model and advertise the pre-sale of BW apartments also implies that the project enables "them" to build on their symbolic capital in the arena of the global *wealth elite*.

At the same time, however, the international attention the project has attracted has also inflicted some harm to their image. Due to the fact that some of the members of the Ne da(vi)mo Beograd activist initiative are also involved in global activist networks, such as INURA or DiEM25, the top-down and rather authoritarian way in which BW is being implemented has been condemned by members of the European Parliament. Particularly in April 2016, when several buildings on Hercegovačka street (part of the future construction site) were demolished overnight by a group of unknown, masked men (Zaštitnik građana, 2016). Unsurprisingly, these events further galvanised resistance against the project, resulting in increasing numbers of people attending Ne Da(vi)mo Beograd's demonstrations in the following weeks (see more in the chapters by Jelisaveta Petrović and Mladen Nikolić in this volume). Conversely, BW has also appeared to be a scale-making project through which Ne da(vi)mo Beograd has been able to gain symbolic and political capital. Their movement has since grown into a political party that participated in the municipal elections in early 2018. Clearly this story does not end there.

2 Srpska napredna stranka [Serbian Progressive Party]

Conclusion

At the time of writing, the first two residential towers (the BW Residences complex) have just been completed, two more towers (the BW Vista complex) and the shopping mall (BW Gallery) are under construction, while sites for several further buildings are being prepared. This chapter has focused on a variety of events that occurred during two years of the early implementation phase of this large-scale real estate development project – a project that has attracted widespread attention and which continues to cause a great deal of controversy. We have adopted an approach that has allowed us to focus on the role of agency, as well as the mutual relationalities between the most prominent actors on and behind the project's "frontline". This methodological strategy enables us to critically engage with contemporary debates regarding state rescaling and world city entrepreneurialism, as well as discussing the stated rationales and motivations behind similar controversial, speculative real estate development projects. For that reason, we would like to encourage others to persist in conducting follow-up research that could further elaborate on our insights and analyses. We continue to hope that the "mist" still currently obscuring Belgrade Waterfront and its "frontline" will eventually lift.

First, we can conclude that world city entrepreneurial practices, particularly those falling outside the so-called Euro-American context, are often initiated and facilitated by central governments rather than local ones. While the political elites backing such projects try to justify them mainly by relying on economic advertising jargon that relates to "boosting" the future urban economy, they are actually boosting and asserting their own symbolic power position through experimental development schemes that are primarily "meant to impress". Adding the layer of transnationalism to this theoretical concept opens up another dimension regarding the political and geopolitical incentives behind the scenes. On the basis of our research, we state that transnational real estate developments are often government to government agreements and that they cannot be understood as stand-alone projects. In other words, they seem to be a part of wider bilateral agreements or strategic political decisions. While geo-economics and geo-politics frequently co-exist, the latter appears to dominate.

A second conclusion that we want to emphasise is that a project like BW can serve elites by being a scale-making project, in that it allows the main actors to operate across and "jump between" different scales in order to extend their coalitions and thus their actual power. Although the decision-making processes behind BW appears, at first sight, to indicate scalar hierarchies where a "global" investor makes the decisions that are

then executed by national-level politicians and civil servants at the expense of the existing plans and ideas of local-level policy-makers and civic society groups, our analysis illustrates that this is not the whole story. It has proved to be the case that those actors who are able to "jump scales", including the opponents of the plan, are in fact the ones who possess the most political and strategic capital. Along with Leon (2017) and other critical scholars who have discussed urban entrepreneurialism in the spirit of David Harvey, we can therefore also confirm the statement that world city entrepreneurial projects significantly reinforce class relations.

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