

The Syria Paradox
By Adam Davidson
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It took a month of protests to depose the president of Tunisia and 18 days to remove Hosni Mubarak from power in Egypt. Libya took longer. Rebels there spent more than eight bloody months fighting Muammar el-Qaddafi before defeating him. But Syria — where protests began at roughly the same time as in Libya — remains in a vicious civil war, and the fighting seems very far from over. One reason for this is simple: Syria's economy was designed to all but prevent a broad coalition from forming against Bashar al-Assad's regime. This is, of course, awful news for most Syrians. But it also calls into question some Things We Thought We Knew About Revolutions — the most important being that countries with diverse economies and a growing middle class are supposed to be better at overthrowing despotic rulers than petrocracies like Libya or Iraq.

Before I visited Syria in 2003 and 2004, I expected it to look like North Korea with souks. But I was surprised to find that Damascus and Aleppo — the two major commercial centers — contain truly affluent neighborhoods. Many locals drove sports cars, wore fancy watches, ate at top-notch restaurants and generally made me feel like a broke hick. And I met a lot of people in the big cities who made a decent living as engineers, doctors, shopkeepers, even artists. They may not have been rich, but they led far more comfortable lives than folks I encountered in neighboring countries like Jordan, Lebanon and Iraq.

Syria's economy is, within the context of the Middle East, unusually diverse. Agriculture, which employs roughly half the rural population, contributes around 20 percent to gross domestic product. Oil represents another 25 percent. Before the crisis, tourists — especially Arabs, but also some Europeans and the occasional American — visited its beautiful, ancient cities and seaside towns. While it has never been a major global player in manufacturing, Syria has a modest industrial sector that churns out clothes, packaged foods, beverages and, lately, inexpensive cars. Lastly, the country has major phosphate deposits, a mineral that's in increasing demand as a fertilizer.

When the Baath Party took command of Syria in 1963, its leaders intended to centralize control of the economy, much as Stalin did in Russia or Mao in China. But it didn't work. The Alawite ethnic and religious minority, which eventually assumed leadership of the party, was made up of poorly educated people from mountain villages who "knew nothing about running a country or an economy," says Joshua Landis, a pre-eminent Syria watcher and a professor at the University of Oklahoma. The Alawites, he notes, had been given a role by the French colonial government in the military precisely because they had few ties to the majority Sunnis in the big cities: "They were very unsophisticated, and they didn't have a deep community of cosmopolitan people from which to draw."

So Hafez al-Assad, father of the current president, allowed a handful of wealthy Sunni and Christian businesspeople to continue running their own factories, shops and restaurants. His son, Bashar, came to power in 2000 and opened up the country a bit more, allowing entrepreneurs with no regime connections to start their own businesses (as long as they gave the government a cut). Some opened boutique hotels or small-scale factories; others imported things like hospital equipment or auto parts. Anything American has been especially popular, one Syrian trader told me. In 2001, Bashar sought membership in the World Trade Organization (still pending), and three years later, Syria had its first private banks. There's even a modest stock market now, the Damascus Securities Exchange, where wealthy Syrians can buy shares in a couple dozen companies, most of them banks or insurance firms.

This entrepreneurial openness in the cities, however, coincided with a multiyear drought, which has made the miserable conditions of Syria's farmers even worse. Those who couldn't make

ends meet in the fields moved to crowded suburban slums or to poorer, second-tier cities. The uprisings began in these areas, and they're where most of the violence is today.

From the outside, it can be hard to see how Assad keeps his grip on the country. In Egypt and Tunisia, powerful militaries ditched their political leaders when they saw a coalition of urban middle class and wealthy people joining poor, rural protesters. But in Syria, the military is far more loyal to the political leaders. And even though the urban elite may not like the Assad regime, and even though they realize that life would be better in a country that doesn't stifle free expression or support radical political elements in neighboring Lebanon, they're afraid of what their lives would look like in a revolution's chaotic aftermath.

As Landis notes: "They look out at the countryside and think: What if these people win? Are they going to respect capitalism? Are they going to preserve our wealth? Or are they going to come by and say, 'Oh, you've been a collaborator for 40 years, and we're going to take everything you own'? They don't know."

Any way you look at it, the immediate future appears bleak for Syria. The incentives favor conflict. One side has nothing to lose; the other, everything. A year from now, Syria could be even more violent.

But it's hard to imagine this conflict ending with the Assad regime firmly in control of the country. What comes next could well be grim, but there's a glimmer of hope for the long term. The Syrian people are paradoxically fortunate that oil has not made their country rich. States with huge hydrocarbon wealth almost never become democratic because power belongs to whoever controls the pumps. Countries with diverse economies and an enterprise-oriented middle class have a much better chance.

Syria actually looks like Britain and much of Europe did centuries ago and like Korea, Japan, Taiwan and — more and more — China have recently: there's a tiny and powerful elite, impoverished rural masses and, crucially, a small but growing middle class that, over a long period, tilts the country toward greater equality and democracy. Hard as it may be to see right now, Syria may turn out to be a role model for the Middle East.