

## Superpower Rivalry and the Third Way(s) in the Mediterranean

### “Syria and the two Germanys from 1963 to 1972: between *Cold-War* and *Modernization*”

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#### 1. The Cold War and the Struggle for Modernization in the South

The Cold War was never merely a conflict between two superpowers with competing geopolitical ambitions. It was a struggle for “hearts and minds”, too: the US and the USSR carried, respectively, the flags of capitalist and socialist paths to *modernity*, and the two alternative ideological systems soon translated into geopolitical realities since 1917. After WWII the bipolar competition focused in the European and East Asian arenas in the form of strategic and military disputes. Once the US and the USSR consolidated the defence of their nearest allies, they turned their attention to the ongoing decolonization process. Washington and Moscow soon realized that the ultimate success of their universalist projects also depended heavily on the future orientation of the new independent states<sup>1</sup>.

The decline of colonial empires, the Bandung Conference in 1955 and the birth of the Non-Aligned Movement (NLM) helped set the framework for a global, bipolar competition: here, the main issues at stake were political independence and economic development. Both concepts were structurally embedded within the notion of modernity because the sovereign, fast-growing nation-state was to be the basic unit for political action and economic organization.<sup>2</sup> The need for change in the so called Third World was first emphasised by the rising nationalist elites. However, the question was: which kind of modernization? Liberal democracy or revolutionary marxism? Free-market economy or state-led development? Or, none of these but a third-way? At that point, the two superpowers and their allies came in and offered several competing models of development, most of which were based on their own historical experience. Third World leaders

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<sup>1</sup> The paper is based on the author’s Ph.D research, *Which kind of Modernity for Syria? The Birth of the Ba’thist Regime in the Shadow of the Berlin Wall, 1963-1970*, April 2008, Florence, as well as on the Workshop “Modernization as a Global Project: American, Soviet, and European Approaches”, held at the German Historical Institute, Washington D.C. March 2008. See also Odd Arne Westad, *The Global Cold War* (Cambridge, 2005), 86, 97; Marc T. Berger, *The Battle for Asia. From decolonization to globalization* (London, 2004); David C. Engerman, Nils Gilman, Mark H. Haefele, eds. *Staging Growth: Modernization, Development, and the Global Cold War* (Amherst, 2003); Nils, Gilman, *Mandarins of the Future: Modernization Theory in Cold War America* (Baltimore, 2003). For a broader overview, see Giovanni Arrighi, Beverly J. Silver, *Chaos and governance in the modern world system* (Minneapolis, 1999).

<sup>2</sup> Giovanni Arrighi, *The Long Twentieth Century* (London, 1994), 56. According to Arrighi, since 1500, one of the main features of modern history has been the changing alliance between the capitalist and “territorial” forces: the first being transnational in tendency, the second exerting power over population and territory. In Europe, the nation-state was the historical result of such combination and later became a major legacy for the institutional development of the rest of the world.

were generally aware of the opportunities as well as of the risks: they could exploit such competition to secure the greatest possible material assistance, but their national priorities could well be undermined by the politics of the bipolar conflict. If the Bandung Conference and the NLM tried to set up a common third-world framework for national security and economic development, such issues translated differently in every single region: for the current Arab leaderships, security mainly involved central state consolidation over centrifugal forces as well as the disruptive conflict with Israel.<sup>3</sup>

## 2. The Two Germanys in the Middle East

Since the XVII century Middle Eastern intellectuals and politicians had been under pressure to react to structural events such as European capitalist expansion and later colonial rule across the region. Both religious and secular movements tried to find an answer to the multiple challenges posed by European modernity. Such answers ranged from rejection to selective absorption of features like secularism, liberalism, nationalism and industrial patterns of development. The countries most entangled in the Middle East (France, Great Britain and Germany) represented some of the main points of reference. From the late nineteenth century, imperial Germany championed itself as a political, cultural and technological partner for the Ottoman rulers as well as for their nationalist heirs: one should consider the impact of German military education and training on the many officials who later became the leaders of nationalist movements across the Arab world, as well as the influence played by German philosophy and political doctrine on Arab nationalist thinkers; the same Nazi Germany tried to exploit the Arab resentment against European colonizers in its struggle for continental hegemony, too.<sup>4</sup> In the 1920s, another political competitor entered the stage: the founding of the “Congress of the People of the East” in Baku in 1920 set the stage for socialist and communist entanglement in future national-liberation movements.<sup>5</sup>

After WWII, the two Germanys lay at the heart of the European Cold War, yet not entirely between its poles. For a long while German ruling élites established themselves as the champions of their own blocs, refusing to legitimate the autonomous existence of the other

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<sup>3</sup> Raymond Hinnebusch, *The International Politics of the Middle East* (Manchester, 2003), 54.

<sup>4</sup> Wolfgang Schwanitz, “Paschas, Politiker und Paradigmen: Deutsche Politik im Nahen und Mittleren Osten, 1871-1945, in Wolfgang Schwanitz eds. *Deutschland und der Mittlere Osten* (Leipzig, 2004), 22-46; Bassam Tibi, *Arab Nationalism: Between Islam and the Nation-State* (London, 1997). W.O. Henderson “German Economic Penetration in the Middle East, 1870-1914”, *The Economic History Review*, 18, 1/2 (1948), 54-64; Wolfgang Schwanitz, *Gold, Bankiers und Diplomaten: zur Geschichte der Deutschen Orientbank, 1906-1946* (Berlin, 2002); Francis R. Nicosia “Arab Nationalism and National Socialist Germany, 1933-1939: Ideological and Strategic Incompatibility”, *International Journal of Middle East Studies*, 12, 3, (1980): 351-372.

<sup>5</sup> See Bassam Tibi, *Arab Nationalism: Between Islam and the Nation-State* (London, 1997); Jacques Thobie, *Ali et les 40 voleurs. Impérialisme et Moyen-Orient de 1914 à nos jours* (Paris, 1985), 15-35; Pier Giovanni Donini, *Il Mondo Islamico. Breve storia dal Cinquecento a oggi* (Rome, 2003), 220.

country. The *Hallstein Doctrine* of the Federal Republic of Germany (FRG) dated back to the first fifties and was based on the pretention by the FRG to be the only representative for the whole German nation. Such policy advocated diplomatic and financial boycott of those states which recognized the GDR and it exploited economic leverage over the Third World to set such political conditions on partners<sup>6</sup>. Both states strategically aligned and coordinated themselves with their two superpowers, but they developed a technological and industrial capacity which provided major opportunities to assert their own roles and models both at domestic and international levels. Moreover, because of their exclusion from direct military interventions abroad, their foreign projections were based on technological and capital transfer as well as on vocational training for administrative and political elites; and that was exactly what many Third World leaders were asking for.<sup>7</sup> Different as they were, both frameworks matched with the myth of Western technological progress and rational efficiency. Interestingly, the two Germanys competed vigorously in the fields of vocational education and technical training for Syrians: along with many Ba'thists, East and West German officials conceived *Erziehung zur Arbeit* ("training for work" with an ethic based on discipline, punctuality and productivity) as crucial to the process by which the postcolonial leaders and the third world working class would learn what "modernity" was, and how it should work.<sup>8</sup>

The Federal Republic of Germany (FRG) and the German Democratic Republic (GDR) had significant roles to play in the Middle East. The FRG exploited the well established German interaction with the Arab and Muslim world whereas the GRD stressed its solidarity with national liberation movements on the basis of anti-imperialism. Moreover, they both strove for integration into the world-economy, which the Arab states were already part of. To be sure, the FRG's international presence was proportional to its economic strength and productive specialization in high value-added production. However, since the mid-sixties, the GDR also planned a great economic restructuring that shifted the focus from extensive to intensive growth, which implied a deeper integration in the international division of labor. Like Bonn, East-Berlin badly needed raw materials and primary commodities, which the Soviets increasingly planned to sell to western

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<sup>6</sup> Sara Lorenzini, *Due Germanie in Africa. La cooperazione allo sviluppo e la competizione per i mercati di materie prime e tecnologia* (Florence, 2003) 61; Glenn W. Gray, *Germany's Cold War. The Global Campaign to Isolate East Germany, 1949-1969*, (Chapel Hill, 2003) 65, 132. See also Heinrich End, *Zweimal Deutsche Aussenpolitik, Internationale Dimensionen des innerdeutschen Konflikts 1949-1972* (Köln, 1973), 19, 36, 89-110.

<sup>7</sup> Politisches Archiv des Auswärtigen Amtes (PAAA). B36 IB4 Band 126, Bericht nr. 581/64. *Öffentlichsarbeit über Entwicklungshilfe*, Damascus, July 15, 1964, Mangold,; Sara Lorenzini, *Due Germanie in Africa*. 43, 97. See also Brigitte H. Schulz *Development Policy in the Cold War Era. The Two Germanies and Sub-Saharan Africa, 1960-1985*. Boulder: Westview Press, 1995; Hans-Joachim Spanger, Lothar Brock, *Die beiden deutschen Staaten in der Dritten Welt: die Entwicklungspolitik der DDR; Herausforderung für die Bundesrepublik Deutschland?* (Opladen, 1987).

<sup>8</sup> Corinna R. Unger, "Rourkela, ein 'Stahlwerk im Dschungel': Industrialisierung, Modernisierung und Entwicklungshilfe im Kontext von Dekolonisation und Kaltem Krieg (1950-1970)." *Archiv für Sozialgeschichte* 48 (2008); Sandro Mezzadra, *La condizione postcoloniale* (Verona, 2008), 64, 120. See also Dipesh Chakrabarty, *Provincializing Europe: Postcolonial Thoughts and Historical Difference* (Princeton, 2000), Gilbert Rist, *Le Développement. Histoire d'une croyance occidentale* (Paris, 1996).

markets.<sup>9</sup>

## 2. 1 The model of the Federal Republic of Germany

Both Germanys offered their modernization models as mutually exclusive, and closely connected with superpower-camp alignment. The FRG championed the free-market economy as the best model to achieve fast and self-sustaining rates of growth, and it spread its technical cooperation mainly through state-sponsored private agencies. In many ways, the FRG challenged the US model of international cooperation, supporting different strategies for growth in the South: agriculture, labor-intensive industries and project-aid should dictate foreign assistance rather than ambitious and politically motivated funding; economic rather than political “rationality” should be the basis for North-South cooperation and credits should be granted on the basis of sound financial criteria. Such a *laissez-faire* approach stressed the need to improve competition and local comparative advantages both in the domestic and international markets by increasing raw materials exports, agricultural production, educational empowerment, and small- and medium-size manufacturing. Integration into the world market would create investment, as well as attract financial and technological assistance.<sup>10</sup> The FRG stressed the need to reform state institutions as an efficient supporter and regulator for the free-market economy based on private entrepreneurship. On the whole, Bonn did not show any particular preference for state-building models, except for loose parliamentarian institutions.<sup>11</sup>

Despite the public rethorics to act only on economic, “neutral” principles, facts on the ground demonstrated how non-economic factors carried great weight, too—factors including the GDR’s simultaneous activities in the region. The FRG “contained” its eastern rival’s quest for international legitimacy through the so called *Hallstein Doctrine*: it threatened an increasing range of measures for diplomatic and financial boycott to those states which granted recognition to the GDR, and it consistently exploited its economic leverage over developing states to implement its claims for exclusive representation of “Germany” in the world. Last but not least, its *laissez-faire* approach had to adapt to constraints on the ground, not to mention the steady pressure from both private sectors and Western allies to temper its orthodoxy. Actually, since the fifties, Bonn’s policy had been rigid in theory but pragmatic in its implementation since the uncertain balance between economic and political criteria needed recalibrating with every single case.<sup>12</sup>

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<sup>9</sup> Konzeption, *Langfristige Sicherung des Bezuges von Erdöl durch die Aufnahme erdölgeologischer Arbeiten in der Republik Irak*, March 18, 1969, Kattner, Stiftung Archiv der Parteien und Massenorganisation der DDR (Sapmo-Barchiv) DL2 Band VA 677; Enzo Collotti, *Storia delle due Germanie*, (Turin, 1968), 915-196.

<sup>10</sup> Schmidt Heide-Irene, “Pushed to the Front: The Foreign Assistance Policy of the Federal Republic of Germany, 1958-1971”. *Contemporary European History* 4 (2003): 473-508.

<sup>11</sup> Bericht nr.688/65, *Regierungserklärung vor dem Syrischen Nationalsrat*, Damascus, October 25, 1965, Pfeiffer, PAAA B36 IB4 Band 202.

<sup>12</sup> See William G. Gray, *Germany’s Cold War: The Global Campaign to Isolate East Germany, 1949-1969*. (Chapel Hill, 2003).

## 2.2 The model of the German Democratic Republic

The GDR boosted its economic and political penetration in the Arab world during the late fifties and mid-sixties: it soon endorsed the ideological framework of the Non-Capitalist Road to development (NCR) promoted by Moscow after 1961 which should provide a viable model for Third World states as well as connect them with East Germany's fast rates of growth and plans for technological specialization.<sup>13</sup>

The NCR model advocated the overall primacy of politics and was conceived as a "roadmap" to independence and socialism for those "progressive" forces of the national liberation movements which had seized power. The centralization of the state administrative and coercive apparatus would consolidate such progressives' control over society and challenge "conservative" forces. The latter must be marginalized because, according to the NCR model, their ties to Western imperialism would thwart social reforms as well as drain national resources away from the countries in question. The state should be strengthened to become the main agent for domestic capital accumulation and industrialization; it was supposed to be the best engine to match the efficient use of scarce resources with equitable patterns of wealth redistribution. Private entrepreneurship had to survive, but as subordinate to the public sector, rather than a driving force for growth. Developing states should first protect domestic industry and only at a later stage should they be integrated into the world market: that is, only when their bargaining power would be strong enough to face foreign competition. The socialist states could grant bilateral cooperation through long-term credits, technological transfer and professional training, mostly on the basis of "buy-back" and "clearing" agreements: in order to face chronic shortages of foreign hard currency, these forestalled a partial or total repayment in the form of resultant products stemming from "complete plants" which had been installed with the related credits.<sup>14</sup>

The GDR was much more bound to the Soviet Union than the FRG was to the United States. East Berlin's international cooperation was in no way an alternative to the Soviet one; rather, it integrated sectors which Moscow did not cover. However, since the GDR leadership planned to engage massively in international trade in 1963, the strategic limits proved much more compelling: trade was closely linked to the influence of the USSR in the developing states and followed its political ups and downs; the quest for diplomatic recognition involved economic rewards which put much strain on the GDR's limited capabilities. Actually, Syria's trade with the GDR was far more connected with the granting of credits, that is financial aid, than was its trade

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<sup>13</sup> Pilari Dirk and Wahl Dietrich, "Scientific and Technological Relations: Some Aspects between the German Democratic Republic and Developing Countries". *International Political Science Review* 3 (1982): 295-303.

<sup>14</sup> William D. Graf, "The Theory of the Non-Capitalist Road." in *The Soviet Bloc and the Third World*, Brigitte Schulz and William Hansen eds. (Boulder, 1989), 27-52. Despite hard pressures from the GDR to get paid in hard currency since 1967, Syria always succeeded in holding on with the clearing system.

with FRG.<sup>15</sup>

The first decade of Ba’thist rule over Syria was distinguished by disruptive domestic and regional conflicts: the traditional social pluralism translated into political fragmentation and affected the Ba’thist regime itself, too. Domestic conflicts hindered much of the reformist agenda of the different ruling factions and eventually shaped the fortunes of the models offered by East and West Germany. Although Syrian leadership maintained contacts with both industrial camps on the basis of its perceived needs, both Germanys’ levels of influence shifted according to the balance of forces inside the country: in fact, every model of development was best suited for, and actually targeted different class and social groups; thus, its fortunes were closely tied to the political ups and downs of its domestic supporters.

### 3. The Ba’thist regime in Syria

After political independence in 1946, debates arose in Syria over which patterns of development the country should take, as well as which foreign experience could be accounted as a suitable reference: most of the political élites still related to Western Europe, whereas the socialist states began to champion their models more assertively since the mid-Fifties. The emerging radical nationalists often lacked knowledge or expertise in economics, but they nevertheless pressed for a more equal redistribution of wealth as they increasingly opened their political constituencies to rural peasants and industrial workers.<sup>16</sup>

The Ba’th Party was a nationalist force born in Syria in 1947, which advocated the territorial and political unity of the Arab Nation as the necessary condition to gain real independence and face the challenges of industrial modernity. Without adhering to marxism and often disputing with the Arab Communists, its founding fathers tried to elaborate an *original* theory which would couple liberalism and socialism.<sup>17</sup> During the political struggles of the fifties, the Ba’th Party extended its constituencies from students and intellectuals to the rural peasantry: its merger with the Arab Socialist Party in 1954 brought the realization that the urban merchants and the big absentee landlords harshly opposed any pan-Arab projects. At the same time, the Ba’th found receptive ears in the army, whose rank-and-file and medium rank officers came from the rural

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<sup>15</sup> Heinz-Dieter Winter, *Konfliktregion Naher und Mittlerer Osten* (Berlin, 2005), 9-10, 20-22.

<sup>16</sup> Hanna Batatu, 1999, 133; Rizkallah Hilane, *Culture et Développement en Syrie et dans les Pays retardées* (Paris, 1969), 103. See also, Hanna Batatu, *The Egyptian, Syrian, and Iraqi Revolutions: Some Observations on Their Underlying Causes and Social Character* (London, 1984) and Anouar Abd al Malek, 1970. For a definition of “radicalism” based on those movements “favoring or effecting fundamental changes in current practices, conditions, or institutions”, see Berta Berti, “Radicalismo”, in Bobbio, Matteucci, Pasquino, 2004, 791-793.

<sup>17</sup> For a general overview see John F. Devlin, *The Ba’th Party: A History from its Origins to 1966* (Stanford, 1976); B. Tibi, *Arab Nationalism*, 123-169. Among the founding fathers of the Ba’th Party the most prominent were Michel ‘Aflaq and Salah ad Din alBitar.

provinces. After the failing experience of the United Arab Republic (1958-1961), political hegemony over the military became the focus of Ba'thist politics. On March 8, 1963, the Party seized power in Damascus by means of a military coup. Inner divisions in the regime ran deeply over agrarian reform and the role of the state in the economy. Opposed to any agreement with the big landlords and the urban merchants, the so called "radical" Ba'thists advocated for the rapid expansion of state intervention and the seizure of all their private assets. In fact, since April 1964, clashes within the main cities, economic boycotts, and political intrigues threatened the Ba'thist regime with bankruptcy and reversal. From April 1964 to July 1965, the Ba'thists reacted with the nationalization of all the major productive sectors: textile factories, extractive industries and foreign trade.<sup>18</sup>

Facing such staunch opposition, the "radical," militant Ba'thists took the upper hand in the regime: they adopted the "Socialist Transformation" program in autumn 1965, expelling the moderate old guard Ba'thists with a coup d'état in February 1966 and soon prepared a new five-year development plan for 1966-1970 that was far more statist than its predecessor from 1961-1965. Depicted as the only way to modernize Syria, the program centered on economic planning, big infrastructural projects and the leading role of the state in fostering industrialization. Economically, agrarian reform functioned to increase production, whose financial surplus would have been reinvested in industry; land redistribution, peasant and state cooperatives, chemical fertilizers and mechanization were the instruments. Politically, the Ba'thists were determined to marginalize the traditional centers of power by mobilizing behind the regime the deprived rural masses.<sup>19</sup> The so called "radical" Ba'thists rallied around Prime Minister Yusef al Zu'ain, President Nour ed Din al Atassi and General Salah al Jadid.

Without having a consistent program, lacking resources and managerial competence, the Ba'thists turned to the socialist states for support, since the Western capitals still held privileged contacts with the Syrian conservative forces.<sup>20</sup> Actually, these were structurally linked to Western states since they monopolized Syrian trade and exports, and adopted anti-communist rhetoric in order to delegitimize the Ba'th Party both domestically and internationally<sup>21</sup>. As far as the international policies were concerned, the Government held true to the principles of *Active*

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<sup>18</sup> Bericht nr.68/65, *Die finanzielle Lage Syriens*, Damascus, May 10, 1965, Pfeiffer, PAAA B36 IB4 Band 202; *Rapport 1964-1965 sur l'économie syrienne*, (Damascus: Office Arabe de Presse et Documentation OAPD, 1966), 62-78; Syed Aziz alAhsan, "Economic Policy and Class Structure in Syria: 1958-1980." *International Journal of Middle East Studies* 16 (1984): 312.

<sup>19</sup> Bericht nr.688/65, *Regierungserklärung vor dem Syrischen Nationalsrat*, Damascus, October 25, 1965, Pfeiffer, PAAA B36 IB4 Band 202; *Rapport 1963-1964 sur l'économie syrienne* (Damascus: OAPD, 1965), 102; *Jahresbericht 1965*, Damascus, Grunert, December 12, 1965, Sapmo-BArchiv, DY IV2/20 Band 875.

<sup>20</sup> Bericht nr.32/65, *Einschätzung über Verstaatlichungsmassnahmen*, Damascus, February 18, 1965, Clausnitzer, Sapmo-Barchiv, DL2 Band VAN 677; Bericht, *Gespräch mit dem Ministerpräsidenten Dr. Al Zouayen*, Damascus, November 11, 1965, Sorgenicht, Sapmo-Barchiv, DY IV2/20 Band 874; Pedro Ramet, *The Soviet-Syrian Relationship since 1955: A Troubled Alliance* (Boulder, 1990), 33-37; Bonnie F. Saunders, *The United States and Arab Nationalism: The Syrian Case, 1953-1960*, 83-94.

<sup>21</sup> R. Hilane, *Culture et Développement en Syrie*, 153-183. See also Hans-Günter Lobmeyer, *Opposition und Widerstand in Syrien* (Hamburg, 1995).

*Neutrality*. However:

*“Though respecting the principle of neutrality, we consider our right to improve friendship with those states and liberation movements which, like us, believe in the national and socialist struggle and support us in our effort to liberate Palestine”<sup>22</sup>.*

Economic and political partners in the two bipolar camps assumed a cautious stance, fearing the notorious fragility of the regime. The “radical” Ba’thists endorsed socialism as the best framework for Syria’s modernization and looked to Moscow and East Berlin as the main points of reference as far as economic and political organization were concerned. However, much of their revolutionary rhetoric also echoed that of the Chinese, particularly in the refusal of any compromise with the “capitalist forces.” The radical Ba’thists advocated a “militant” stand against western imperialism and its “local agents”, namely Israel, the Arab monarchies and the region’s moderate regimes; tensions occurred even with Egypt and Iraq, since they were accused of not being progressive enough.<sup>23</sup> The Ba’thists strained relations with major Western powers and their Arab allies when they nationalized the extractive industries in December 1964 and won a trial of strength Western oil companies over the control of pipelines running through Syrian territory in March 1967.

Meanwhile, the relations among West Germany, Syria and other Arab states were souring because of the parallel improvement of friendship and cooperation between Bonn and Tel Aviv, which led to the diplomatic rupture between March and May 1965<sup>24</sup>. However, the Ba’thists could never totally cease political and economic relations with the capitalist states, nor they wanted: western European economies remained their main trade partners and domestic instability in Syria forced them to maintain contacts.<sup>25</sup> According to the *Active Neutrality*, the Arabs fully exploited the GDR’s quest for diplomatic recognition to extract better conditions for trading, credits and support in the struggle against Israel. The GDR was fully aware; already in late 1966, Consul General in Damascus, Horst Grunert, had summarized the Syrian position to the SED leadership as following:

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<sup>22</sup> *Oriente Moderno* 1965, n.10, 815-818; Devlin 1976, *The Ba’th Party: A History from its Origins to 1966*, p. 222, 224, 227.

<sup>23</sup> J. Devlin, *The Ba’th Party*, 218, 302.

<sup>24</sup> Sapmo-Barchiv, DL2 Band VAN 677, Bericht nr.32/65, *Einschätzung über Verstaatlichungsmassnahmen*, Damascus, February 18, 1965, Clausnitzer; Sapmo-Barchiv, DY IV2/20 Band 874, Bericht, *Gespräch mit dem Ministerpräsidenten Dr. Al Zouayen*, Damascus, November 11, 1965, Sorgenicht; Ramet, 1990, 33-37. See, Angelika Trimm, “Der Faktor USA in der Entwicklung deutsch-israelischer Beziehungen während des Kalten Krieges”, in Wolfgang Schwanitz eds. *Deutschland un der Mittlere Osten im Kalten Krieg* (Leipzig, 2006), 46-64; Helmut Hubel eds. *Die trilateralen Beziehungen zwischen Deutschland, Israel und den USA* (Erfurt, 2001); Lily Gardner-Feldman, *the Special Relationship between West Germany and Israel* (Bonn, 1984); Markus Weingardt, *Deutsche Israel- und Nahostpolitik. Die Geschichte einer Gratwanderung seit 1949* (Frankfurt am Mainz, 2002). Also, Bonnie F. Saunders, *The United States and Arab Nationalism: The Syrian Case, 1953-1960* (London, 1996), 83-94.

<sup>25</sup> Bericht nr.2/69, *Technische Hilfe in Syrien*, Damascus, January 2, 1969, Schwartz, PAAA B66 IIB6 Band 634; see also *Etude spéciale sur le Conflit avec l’I.P.C. établi per le Commandement national du Parti Baas Arabe Socialiste*, (Damascus: OAPD, 1966); and *Oriente Moderno*, 1-4 (Rome, 1967) 152.



*"I am sorry for the rough expression, but Syrian politicians wish to link their positions on the two German states with their bargaining over the Israeli question: say something good against Israel and we would do the same for you. Such bargaining is not serious at all; it is not politically correct and it does not match with the actual interests of Syria. The real problem lies deeper in the underestimation of the class content in the German question. (...) but we should let them realize that the very existence of a socialist state on German soil, even in just one part of it, already constitutes a relevant progress, which deserves to receive support in the context of the struggle against imperialism", <sup>26</sup>.*

Under pressure from East-German officials Syria argued that diplomatic recognition was just a *formal* step not much needed to upgrade their partnership<sup>27</sup>. Despite the gradual increase in political cooperation with the GDR, Syria granted diplomatic recognitions only on the 5 June 1969. By this time the Hallstein doctrine had already lost its financial deterrence and Brandt's Ostpolitik was on the way. As a matter of fact, Syria granted recognition to the GDR in a move to counter its eastern Iraqi rival: the Ba'th Party in Baghdad had decided for GDR's diplomatic recognition on May 5 mainly to increase socialist camp's military, political and economic cooperation; locked in regional struggles with Baghdad, Damascus and others members of the Arab League soon followed<sup>28</sup>. Although the SED leadership perfectly realized the price and the regional reasons for the Arab decisions, it rewarded them with much advantageous bilateral agreements on financial and technical cooperation<sup>29</sup>.

Syria's military and political defeat by Israel in June 1967 (*Nahda*) prompted the Ba'thist regime to choose between two main strategies to rally public support: on the one hand, to focus all the resources on a viable economic development which would provide a material basis to stand up against aggressions; on the other hand, to focus primarily on a military build-up to counter Israeli occupation of the Golan Heights<sup>30</sup>. The regime made no clear choice since internal factions were too divided to find a common ground. The radicals were challenged by the split

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<sup>26</sup> Sapmo-Barchiv, DY30 IVA2/20, 877, Protokoll, *Erweiterung der ökonomischen Zusammenarbeit mit dem Gastland Syrien*, Zk der SED, Abteilung Internationale Verbindungen Berlin, November 26, 1966. See also Wippel 1996, 6.

<sup>27</sup> SAPMO-Barchiv, DY 30 A2/20 819, Generalkonsulat DDR Bagdad, Gespräch mit Vorsitzenden der Abteilung Internationalen Verbindungen der Ba'th Partei, 15 April 1969, Grunert; DY 30 A2/20 871, Sekretariat des Zk der Sed, Konzeption für die Verhandlungen mit arabischen Staaten für die diplomatische Anerkennung, 23 May 1969; DL2 1584, 3.AEA, Information, 23 June 1969; DY 34 7983, Botschaft DDR Bagdad, Gespräch mit Vorsitzenden des irakischen Gewerkschaftsbundes, 27 may 1969, Schultze; *AAPD, 1969*, I, 192, Legationsrat I.Klasse Schwartze, Damaskus, an Staatssekretär Dückwitz, 7 June 1969.

<sup>28</sup> SAPMO-BArchiv, DY 30 A2/20 871, Generalkonsulat DDR Damaskus, Gespräch mit sowjetischem Botschaft, 5 March 1968, Grunert; DY 30 A2/20 819, Generalkonsulat DDR Bagdad, Information, 15 April 1969, Schultze.

<sup>29</sup> MfAA/C 511/73, MAI, Dirktionsbereich Übersee, Aufzeichnung. Die wirtschaftliche und technische Zusammenarbeit mit Irak, 15 April 1969, Kattner; SAPMO-BArchiv, DY 30 2/20 873, Generalkonsulat DDR Damaskus, Bericht. Die Zusammenarbeit mit der Ba'th Partei, 23 January 1969, Grunert; H-D. Winter, 15; W.G.Gray, 212-215.

<sup>30</sup> The debate over the regime's priorities was summarized in the phrase *al furat aw al quantityriah?* That is, "the Dam-project in the Euftrat valley or the recovery of Quneitra" (a major city on the occupied Golan Heights)? Bericht, *Über den nationalen Kongress der BathPartei Syriens, September-Oktober 1968*, Damascus, Marter, January 23, 1969, Sapmo-Barchiv, DY IV A2/20 Band 873.

faction called “nationalist” and led by General Hafiz al Assad; the nationalists criticized the close relationship with the socialist states, the full implementation of the Socialist Transformation and the “militant” regional policy.<sup>31</sup> Al Assad clearly feared Syria’s increasing isolation in Arab politics: rhetoric aside, after the *Nahda* moderate positions prevailed among Arab League states in the Khartoum conferences in August 1967. Amidst this uncertain environment the struggle in the ruling elites led to power dualism (*izdiwajiyat is sultah*) and contradictory policies both at the economic and foreign levels.<sup>32</sup>

The final showdown came in 1970 when the nationalist Ba’thists blocked the radicals which had embarked Syria on a course of support for the Palestinian guerrillas and had sent troops to Jordan during the “Black September.”<sup>33</sup> Defence Minister Hafiz al Assad seized power in November 1970 by another military coup and gradually built his hegemony over Syria mainly through reconciliation between the urban bourgeoisie and the provincial nationalist elite. Domestically, he forced the Ba’th Party and the related mass organizations to compromise with other forces, like the Syrian Communist Party or the conservatives, and to soften their militant stand: the latter’s co-optation and the centralization of power in the Presidency were enshrined in the National Progressive Front (NPF) in March 5, 1972 and in the new Constitution adopted March 12, 1973.<sup>34</sup> The evaluation of the new power structure differed much among Syrian progressive forces: according to its critics, the NPF was the one of the “*institutional structures to control Syrian left-wing forces*”<sup>35</sup>; on the contrary, current Syrian communist leaders appreciated it, because it offered major opportunities for progressive forces to gain political influence while keeping their organisational autonomy. Quite interestingly, the latter reported that the GDR institutional model was a source of inspiration during the long negotiations which led to the NPF and the new Constitution:

*“For sure, we took into consideration foreign experiences, like the GDR one; however, most of the elements came out of the Ba’th Party and of Syrian Communist Party’s proposals: we might say that theory came from the GDR, whereas practice from Syria”*<sup>36</sup>.

The state-led development was not abandoned but integrated with more liberty for the private

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<sup>31</sup> Member of the ‘*Alawi*’ confessional minority, he soon entered the Ba’th Party and used the Army as his channel for social and political ascendancy. He sided with the radical Ba’thists beginning in 1963 but increasingly distrusted their domestic and foreign policies for their lack of realism, and focused his attention on security issues and national unity. See Patrick Seale Patrick, *Asad: The Struggle for the Middle East* (London, 1995); and H. Batatu, *Syria’s Peasantry*, 191-198.

<sup>32</sup> George Corm, *Le Proche-Orient éclaté, 1956-2006* (Paris, 2006), 238.

<sup>33</sup> See Ilan Pappé, *A History of Modern Palestine* (Cambridge, 2003), 188-196.

<sup>34</sup> H. Batatu, *Syria’s Peasantry*, 206, 244; Raymond Hinnebusch, *Syria: Revolution from Above* (London, 2001), 65-89.

<sup>35</sup> Rizq All ā h H ī l ā n, former Economic Advisor at the Council of Ministers, interview with the author, Damascus, Damascus, September 21, 2006; Jam ī l Qa r ī , General Secretary of the Committee for the Unity of Communists in Syria, interview with the author, Damascus, August 17, 2006.

<sup>36</sup> Jacques ‘Abd al N ū r, Syrian Communist Party Secretary in Aleppo, interview with the author, September 20, 2006; ‘Ammar Bakd ā š, General Secretary of the Syrian Communist Party (Bakd ā š), interview with the author, Damascus, September 6, 2006.

sectors which agreed to support the regime. Al Assad's overall policy was labelled the "Corrective Movement" and the economic overtures (*infitah*) mainly concerned trade and agriculture: contrary to the previous system, agriculture now received most of the investments of the third five-year plan (1971-1976) and centred on the role of the medium land owners as the main agents of growth.<sup>37</sup>

The Arab-Israeli conflict and inter-Arab competition dictated much of Syrian foreign policy in the sixties. However, its irredentist and militant stand led Syria to regional isolation and heavy reliance on the global socialist camp. Al Assad struggled to bring Syria back into the center of Arab politics: through multilateralism Damascus could profit from the fall of Nasserism and face the assertiveness of other competing powers, like Saudi Arabia and Iraq.<sup>38</sup> So, al Assad retained most of the strategic priorities of the radical Ba'thists, but pursued them with better assessments of international politics and unbiased *realpolitik*.<sup>39</sup> Internationally, the Ba'thists systematically used political arguments to extract the greatest possible material assistance from both capitalist and socialist camps. Syrian geostrategic position in the Middle East was quite a remarkable asset to implement the principles and practice of *Active Neutrality*: Syria traded with Western European markets and received capital from Gulf states, whereas the socialist camp provided arms and aid for infrastructure; such a system proved successful after the war of October 1973, when both oil-rich Arab states and European consumer nations agreed to compromise with Syria.

It might be worth mentioning the opinions of two former high officials of Syrian Government, Prof. Rizk'allah Hilane and Prof. Issam al Za'im, which summed up the domestic and international reason for Syria "to move east":

*"The conflict with Israel and the rising claims of peasants and the new middle classes built the necessary economic and political conditions to move east. In the whole Third World, after decolonization, the issues at stake essentially concerned economics: the same Cold War, as it developed in the Third World, took the shape of a competition for influence over the economic development of the new states and, thus, the patterns along which both camps would get access to markets and raw materials. Economic competition among different classes, particularly between peasants, public employees and the rest of society, soon translated in ideological competition. Here is how socialism took roots in Syria; and, since socialist ideology was controlled by the Soviet Union, here is the reason why Syria moved east"*<sup>40</sup>

*"It is right to say that Israel was a major factor in disrupting relations between Arab nationalism and the West. However, it does not account for the whole story, in the sense that the political and cultural context of that period was even more important. However, according to realpolitik, Syria turned to the East to buy the arms that the West did not*

<sup>37</sup> *Idem*, 116-139. *Rapport économique 1971-1972* (Damascus: OAPD, 1972), 351-398. Roger Owen and Sevket Pamuk, *A History of the Middle East Economies in the Twentieth Century* (London, 1998), 152-158.

<sup>38</sup> See William L. Cleveland, *A History of the Modern Middle East* (Boulder, 2000).

<sup>39</sup> P. Ramet, *The Soviet-Syrian Relationship since 1955*, 87-123. See also R. Hinnebusch, *Syria: Revolution from Above*, 139-164.

<sup>40</sup> R. Hilane, former economic advisor at the Syrian Council of Ministries, interview with the author, Damascus, September, 21, 2006.

want to sell it in the Fifties; moreover, Western capitals played with conspiracies against Syrian governments. In the Sixties, Syria moved to the East, because of the influence of socialist ideas, which came along with Realpolitik and the regional balance of forces. In the Seventies, Syria related to the East not for ideology but for al Assad's "machievellism": he kept a sound distinction between the domestic role of communists and the international role of the socialist camp. Actually, the latter was the intermediary and the guarantee for national independence vis-à-vis the diktats of the West in the region. To sum up, the socialist camp and the GDR were very important for Syria for the following reasons: arms delivery, mutual profitable business, almost unconditioned political support"<sup>41</sup>.

#### 4. The role of the Federal Republic of Germany in Syrian Modernization

The *laissez-faire* approach of the FRG faced major difficulties, as it did not fit well with Syrian political trends. Both at the domestic and the regional level, Bonn and Damascus entered on a collision course, which was to shape their relations for a long time.

The FRG's diplomacy and private industries traditionally supported Syrian urban merchants who were usually allied with conservative religious forces, among them the Muslim Brotherhood: in fact, such merchants were West Germany's main trade partners in Syria, both for cotton imports and machinery exports. In 1964, the Ba'thists clashed with private-sector elements and curbed their power through extensive nationalizations. Moreover, the institutional reforms adopted by the radical Ba'thists after 1966 purged many ministerial officials who had supported the FRG and opposed the Socialist Transformation. On the whole, Bonn suffered from the political and economic decline of its local partners and lost relevant channels of influence on Syrian policy-makers.<sup>42</sup>

The Arab-Israeli conflict was a major factor in disrupting relations between the Ba'thist regime and the FRG. Syrian nationalists directed a huge share of the nation's resources toward countering Israel, whose policies were perceived not only as a military and territorial challenge but as a threat to Syrian modernization, too. Beginning in the early sixties, Bonn increased its military and financial support for Israel: along with US pressure for more burden sharing, some politicians in the FRG often equated the East-West competition with the Arab-Israeli one.<sup>43</sup> Egypt, Syria and other "progressive" Arab states reacted by linking the regional conflict with the East-West German rivalry and upgraded relations with the GDR.<sup>44</sup> Bonn retaliated by granting

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<sup>41</sup> Issam al Zaim, former Minister of Industry and Director of the Arab Center for Strategic Studies, interview with the author, Damascus, August 14, 2006.

<sup>42</sup> Telegramm nr.135/6, Damascus, April 8, 1965, Pfeiffer, PAAA B36 IB4 Band 202; Bericht nr.284/65, *Gespräch mit Vorsitzenden der Abteilung Europa beim syrischen Auswärtigen Amt*, October 23, 1965, Pfeiffer, PAAA B36 IB4 Band 203; Bericht nr.196/68, *Die Zusammenarbeit mit Syrien*, July 22, 1968, Pfeiffer, PAAA B66 IIIB6 Band 483.

<sup>43</sup> Daniel Gerlach, *Die doppelte Front: Die Bundesrepublik Deutschlands und der Nahostkonflikt, 1967-1973* (Berlin, 2006), 35-47; FRUS, XV, 1964-1968, Germany and Berlin, Memorandum From the Chairman of the Policy Planning Council (Rostow) to the Assistant Secretary of State for European Affairs (Tyler), *Germany: March 1965*, Washington, March 20, 1965. See also, Avi Shlaim, *Il muro di ferro. Israele e il mondo arabo* (Bologna, 2003), 228-248.

<sup>44</sup> Telegramm nr197/65, June 4, 1965, Pfeiffer, PAAA B36 IB4 Band 202.

diplomatic recognition to Israel and most of the Arab states broke off relations with the FRG in May 1965. Despite pressure from private corporations and local diplomats, the Federal Government of Chancellor Erhard stood firm in the implementation of the *Hallstein Doctrine* and halted most financial cooperation.<sup>45</sup> Such a policy proved to be at odds with current regional trends and to overestimate the FRG's economic leverage across Syria. Without governmental credits Damascus could not pay West German companies and the latter were increasingly excluded from the domestic market because of fierce European competition.<sup>46</sup> The situation was convincingly summed up by the FRG representative in Damascus in spring 1966:

*“After one year since the break-up of diplomatic relations, the Federal Republic is striving in a very difficult situation. We are still the main supplier of Syria, but we do not enjoy any special and privileged position, particularly after the Soviet Union committed to the first stage of construction of the Dam on the Euphrates. Here, we lost the last relevant channel which tied Syria to Germany; there is no other relevant factor for the resumption of political dialogues with Syria. Our aim, now, is not to resume diplomatic relations, rather to prevent Syria from recognizing the Soviet Occupied Zone: though, on the ground, their relations already amounts to de facto recognition”<sup>47</sup>*

On the whole, the Western European states still remained Syria's main trade partners. However, for the time being, their share declined relatively because of the financial and political difficulties Damascus had to face and because of the presence of the socialist camp as an alternative market for low-cost technology purchase. According to the FRG:

*“We must recognize that Syria does not urgently need western economic aid like Jordan: this fact prevents us from normalizing our relations any time soon”<sup>48</sup>.*

Within this context, a major blow to the FRG's prestige concerned one of the biggest infrastructural projects ever made in Syria: like the Aswan Dam in Egypt, the case of the dam on the Euphrates River was highly politically charged because the project was seen as the symbol of a new modern Syria. Exploratory efforts had been made by the Soviets in 1959 but the contract

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<sup>45</sup> *Gespräch des Bundeskanzler Erhard mit dem Syrischen Botschafter Khabbaz*, VS-vertraulich, February 2, 1965, Akten zur Auswärtigen Politik der Bundesrepublik Deutschlands. München (AAPD), (1965) ZA 5-19; *Botschaftsrat I. Klasse Lahn, Kairo, an das Auswärtige Amt*, Betr.: Bewertung des Hassouna-Besuches und seine Auswirkungen, VS-Vertraulich, May, 16, 1967, AAPD (1967), ZB 6-1-12532.

<sup>46</sup> Bericht nr.165/65, *Die wirtschaftliche Tätigkeit der BRD in Syrien*, Damascus, November 29, 1966, Schwartz, PAAA B66 IIB6 Band 253. The main competitors were its European allies, in particular Italy and France. Bericht nr. 732/65, *Rapport des Conseillers et des Attachés commerciaux des ambassades de la CEE à Damas*, Damascus, November 25, 1965, Pfeiffer, PAAA B34 IB6 Band 459.

<sup>47</sup> PA AA B36 IB4 253, Bericht nr. 41/66, Syrien und die Bundesrepublik Deutschlands nach dem Abbruch der diplomatischen Beziehungen, SIBRD Damaskus, 09.05.1966, Pfeiffer. Accordingly, the FGR acted on the Arab League's moderate states to prevent Damascus' efforts for a common Arab stance on the GDR recognition; and it was successful, PA AA B36 IB4 253, *Erklärung des Ministers Schröder an Vorsitzenden des Auswärtigen Ausschusses des Bundestages, Herr H. Kopf*, Bonn, 02.06.1966..

<sup>48</sup> PA AA B36 IB4 304, Bericht, *Haltung Syriens zu der Bundesrepublik Deutschlands*, SIBRD Damaskus, 14.11.1967, Schwartz.

was awarded to the FRG in 1963.<sup>49</sup> However, disputes arose over the project's increasing costs and Bonn doubted Syrian financial solvency. For its part, Damascus hoped for more loans, arguing that as the backers of the dam the FRG could compete with the Soviets and enjoy a unique status in the region. Nevertheless, Bonn applied a rigid fiscal standard and tried to use the issue to influence Ba'thist economic policy as well as to gain other contracts in the oil sector<sup>50</sup>:

*"The Federal Republic of Germany must clarify that it might grant the credit only if Syria would review the basis of its economic policies; in short, Syria should regain the path towards stabilization which would favour market dynamics and led to a free-market economy"*<sup>51</sup>

After the diplomatic break-off in May 1965, both capitals exploited the Euphrates project to keep contacts open. However, the arrival of the radical wing in the Ba'th Party in February 1966 led Syria to award the contract to the Soviet Union.<sup>52</sup> After that, the FRG did not participate in any major economic projects in Syria, because these required political convergence or engagement at the least, in which neither side showed any real interest. In late 1968 and 1970, al Assad attempted to improve contacts but Bonn mainly refused because of diffidence and mistrust of the Ba'th regime. Moreover, although the *Hallstein Doctrine* was actually abandoned by Chancellor Brandt, the latter stood firm in order to undermine the GDR's domestic and international legitimacy before the conclusion of bilateral negotiations in 1972. It was only in 1974, after the October Yom Kippur War, that both states fully resumed relations on the basis of *realpolitik* and trade interests.<sup>53</sup>

On the whole, the free-market oriented, liberal modernization model of the FRG lost its influence on Syria for two main reasons: first and foremost, it did not address the social claims and political grievances the Ba'th Party represented; actually, it was best suited to the opposition forces.<sup>54</sup> Second, the FRG decided to institutionalize its close relationship with Israel just at the apex of Arab political radicalization, so that its Syrian supporters were almost guaranteed to be marginalized. Its responses to the Arab-Israeli conflict initiated the relative decline of its economic and political leverage vis-à-vis the GDR. Eventually, Syria did not turn to socialism, the state sector never held a monopoly over the economy and the FRG still enjoyed great technical and

<sup>49</sup> *Gemeinsame Kommuniqué BRD und SAR*, Bad Godesberg, 16 January 1963, PA AA B36 IB4 Band 54.

<sup>50</sup> Bericht nr.23/64, *Gespräch mit syrischen Wirtschaftsminister*, Damascus, January 17, 1964, Mangold, PAAA B66 IIIB6 Band 396; Dawood Hido, former Director at the Ministry of Economy and Foreign Trade, interview with the author, Damascus, 7 July 2006.

<sup>51</sup> PA AA B36 IB4 126, Bericht, *Neuer Stand-by Kredit*, AA III B6 an Botschaft Damaskus, 11.05.1964, Pauls

<sup>52</sup> Telegramm nr.72/66, Damascus, April 25, 1966, Pfeiffer, PAAA B36 IB4 Band 254.

<sup>53</sup> Bericht nr.129/70, *Technische Hilfe für Syrien*, Damascus, June 25, 1970, Mirow, PAAA B66 IIIB6 Band 706. See also D. Gerlach, *Die doppelte Front*, 79-82.

<sup>54</sup> Issam alZaim, Former Minister of Industry and Chairman of the Planning Commission, interview with the author, Damascus, August, 14, 2006. As the British had done in Iraq before 1958, the GDR's projects were perhaps well suited for economic growth but relied overmuch on local partners whose power was eroded by social mobility and the political activism of other forces. See Paul W.T Kingston, *Britain and the Politics of Modernization in the Middle East, 1945-1958* (Cambridge, 1996).

cultural prestige. Most of the Arab students in the FRG came from Syria and they all belonged to the economic and political élites. However, the point is that the FRG lost any political influence over Syria and was reduced to the role of trade partner.

## 5. The Role of the German Democratic Republic in Syrian Modernization

In the sixties the Ba'th regime tried to concentrate power in a new state based on ideology and collective party institutions. Though this was prevented by internal factionalism, the Ba'th looked for models and experiences abroad and found in the GDR one of its most active partners in state-building. The GDR supported Syria mainly for political reasons. In the struggle for international recognition, the GDR placed much confidence in "progressive" Arab states and Syria played a pivotal role along with Egypt, Iraq and Algeria.<sup>55</sup> Moreover, since 1964, the GDR planned to enhance its economic relations outside the COMECON (Council for Mutual Economic Assistance among socialist states) mainly to find export markets and hard currency revenues.

The rise in power of the radical Ba'thists from late 1965 provided the political opportunity to set up a consistent framework for a closer partnership on the principles of "Proletarian Internationalism" and "Anti-imperialist Solidarity".<sup>56</sup> Before 1965, the GDR had hardly any stake in Syrian modernization; East Germany could enter the stage only after the radical Ba'thists got rid of the private sector and later of their own old guard. However, the Arab defeat in 1967 boosted those Syrian forces which were mainly concerned with security issues or which never wholly endorsed the East-German model for development. The influence of the FRG followed the exact opposite trajectory. The GDR's practical influence depended on the resources available to its Syrian partners: after 1967 increasing military expenditures drained financial resources from the economic development plans which should legitimate "progressive" forces and provide major opportunities for GDR's investments. Given the June defeat and the diplomatic impasse, Willy Stoph, President of the Council of Ministers, made the GDR political line clear in October 1967: to keep on supporting Syria but pressuring Damascus to face primarily economic issues rather than engaging in "hazardous" military adventures:

*"We should do everything to support Syria in its antimperialist struggle and we should prevent it from being overturned. However, we also must make it clear that they must primarily face their economic troubles rather than engage in hazardous military actions"*<sup>57</sup>.

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<sup>55</sup> See W. G. Gray, *Germany's Cold War*, 65, 174; H-D. Winter, *Konfliktregion Naher und Mittlerer Osten*, 8-11.

<sup>56</sup> Ingrid Muth, *Die DDR-Aussenpolitik, 1949-1972. Inhalte, Strukturen, Mechanismen* (Berlin, 2001) 35-47.

<sup>57</sup> Sapmo-Barchiv, DY30 IVA2/20, 874, Vermerk, *Über ein Gespräch am 19.10.1967 beim Genossen Hermann Axen über die weitere Beziehungen der DDR mit der SAR*, Zk der SED, Abteilung Internationale Verbindungen, October 20, 1967.

First of all, the GDR contributed to the Ba'thist modernization of the state sector and those central institutions best suited for economic and social planning. East Germany sent several advisors both at technical and ministerial levels and most of their suggestions were translated into law; these included the enhancement of the Council of Ministers, the establishment of the State Planning Commission, the Central Statistic Bureau, the improvement of the Ministry of Finance, as well as those of Industry and Economy.<sup>58</sup> The GDR also had an influence on the reform of the local administrative institutions, which had been actually independent from any central control: the new law tried to enforce a top-down decision-making structure which left provincial and communal authorities with few legislative powers: moreover, though it enforced elective institutions at the local level, it also favoured Ba'th Party control because the latter held responsibility to appoint the executive officials.<sup>59</sup> All such efforts were aimed at consolidating and centralizing state power and setting up a more consistent framework for state interventions both in the economy and in social services. One peculiar feature of the GDR presence in Syria was the dispatching of the so called *Regierungsberater* (Government Advisors): a group of advisors which worked to reform the central government in Damascus. Already in 1965, the Vice-President of the Council of Ministers, Gerhard Weiss, recommended the Consul General of the GDR in Damascus to handle the activities of the *Regierungsberater* with extreme caution and prudence:

*“The activities should have a consultancy feature and the advisors should not assume any state executive function. (...) In order to let them elaborate their own proposals, the comrades should act as advisors and they will influence their Syrian partners through the representation of the development path of our country (...) We might show our positive as well as negative experiences, so that they could work out the suitable solution for the current stage of development in Syria. (...) The structure as well as the division of labor of the different Ministries can be handed over but with the explicit mention that they fulfil the specific development of our state and the state of the GDR economy. The Syrian requests for proposals for their state-building should not be accepted. Once they get explained the working methods of our Institutions, it is up the Syrians to elaborate the most suitable for them. When the Syrian partners submit their proposals, comrades could make comments on them. On Syrian legislative drafts, comrades could take a position only orally and always in connection with the GDR experience; whereas, advice should be handed over only as personal opinion”<sup>60</sup>.*

Interestingly enough, the GDR's contribution was welcomed by all different factions inside the Ba'thist regime and by non-marxist Syrian economists and politicians, too. To be exact,

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<sup>58</sup> Bericht nr.239/72, *Die Tätigkeit der Berater der DDR in der SAR 1968-1972*, Damascus, October 4, 1972, Konschel, MfAA/B Band 1.208/75. Since March 1966, all nationalized industries were set up in 4 different branches, along the Vereinigungen Nationalisierter Betriebe of the GDR, VV.AA, *Etudes sur le Secteur Public Industriel en République Arabe Syrienne* (Damas, OAPD, 1970), 10-12.

<sup>59</sup> OAPD, *Les principes de base du projet de loi sur l'administration locale. Texte intégral*, Juin 1968, Damas; Bericht nr. 285/68, *Lokale Selbstverwaltung*, Damaskus, June 24, 1968, Schwartz, PAAA B36 IB4 Band 304.

<sup>60</sup> Sapmo-Barchiv, DY30 IVA2/20 874, Kurzprotokoll, *Über eine Beratung beim Genossen Dr. Weiss am 30.12.1965*, MfAA, Abteilung Arabische Staaten an Stellv. des Vorsitzenden des Ministerrates der DDR, Dr. G. Weiss, Mitteilr: GK der DDR in der SAR, Generalkonsul Grunert und Genossen Sorgenicht, December 31, 1965.



enhancement of central state power was a common feature for the modernizing theories of both camps in the fifties and sixties.<sup>61</sup>

According to most Syrian observers, the GDR offered valuable assistance in vocational training. Most students and middle-rank state officials who had rural origins could not afford to study and train in Western Europe. The socialist camp, and the GDR especially, provided them with the opportunity to enhance their knowledge and to upgrade their social and economic status while remaining in Syria or once they got back from East-Germany. Inevitably, their training easily got outdated, but one should not overestimate the country's capacity to absorb the most advanced technology, too: without proper labor training and a suitable social environment technology transfer could well turn into disaster and eventually increase external dependence. As for the GDR, despite high expectations vocational training did not necessarily provide East-Berlin with privileged economic assets because the Syrians still banked on international competition to secure better assistance.<sup>62</sup>

The GDR's aid in improving Syrian infrastructure also has been generally regarded as effective as far as value-for-money was concerned. Syria never had the financial resources to buy all the products it needed from the FRG and Western European markets. The GDR supplied medium-level technology at low costs and helped Syria to overcome its chronic hard-currency deficits, thanks to favorable long-term credits.<sup>63</sup> Here, too, political partnership played a major role in economics: the GDR granted a twenty-five-million dollar credit in October 1965 and a fifty-million dollar one in June 1969 when Damascus upgraded and eventually recognized the diplomatic status of East German representatives.<sup>64</sup> A major criticism is that both the GDR and Syria became "captive" markets for their respective products and never really stimulated better standards of quality and technological upgrading.<sup>65</sup> In this regard, the GDR *Regierungsberater*

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<sup>61</sup> The GDR also cooperated with the Syrian security services as contribution to the strengthening of state-power (*Staatsmacht*), see Konzeption, *Die Zusammenarbeit beim Staatsapparat*, Damascus May 30, 1970, Sapmo-Barchiv, DY 30 IV A2/20 Band 874. For the activities of the GDR advisors in Syrian Ministries, see Hauptgruppe nr. 6 MfAA Bände A-13676, B-1.191/75, B-1.207/75, B-1.208/75, B-1.210/75, B-1.211/75, B-1.213/75, B-1.212/75, B-1.214/75, B-1.215/75, B-1.216/75, B-1.217/75, B-1.218/75. See also VV.AA. *Etudes sur le secteur Public Industriel en République Arabe Syrienne*, (Damascus: OAPD, 1970); VV.AA. *La Planification Economique et Sociale en R.A.S. 1960-1970* (Damascus: OAPD, 1971); Michel Seurat, "Etat et industrialisation dans l'Orient Arabe: les fondements socio-historiques", in VV.AA. *Industrialisation et changements sociaux dans l'Orient arabe*.

<sup>62</sup> See R. Hilane, *Culture et Développement en Syrie*, 113-241; and Antoine Zahlan, *Science and Science Policy in the Arab World* (New York, 1980). D. Hido, interview with the author, Damascus, 12 June 2006. Some critics accused the GDR for having exported low labor productivity. Actually, several GDR experts repeatedly brought the issue to the attention of Syria authorities. See MfAA references at note n. 51.

<sup>63</sup> For GDR-Syrian Agreement on Scientific and Technical Cooperation, see SAPMO-Barchiv, DL2 VA7338, *Protokolle, Vereinbarungen und Abkommen zwischen DDR und SAR, 1965-1988; Rapport sur l'économie syrienne 1967-1968*, (Damascus: OAPD, 1968), 25-36; *Rapport sur l'économie syrienne 1969-1970* (Damascus: OAPD, 1971), 27-38.

<sup>64</sup> *Abkommen für die Wirtschaftliche und Technische Zusammenarbeit*, October 17, 1965, Sapmo-Barchiv, DL2 Band VA7338; *Abkommen für die Wirtschaftliche und Technische Zusammenarbeit*, July 23, 1969, und *Protokoll am WTZ Abkommen von 1965*, February 11, 1967, in Sapmo-Barchiv, DL2 Band 367.

<sup>65</sup> D. Hido, interview with the author, Damascus, 22 August 2006; Issam al Zaim, former Minister of Industry, interview with the author, Damascus, 17 June 2005. According to these interviewees, the

would play a central role, as trade *attaché*, Gerlach, had already suggested in 1968:

*“In the future, the appointment of scientific and technical experts should be structured in such a way to influence the investment projects which are compatible with our export capacities. That would let them elaborate everything necessary for our deliveries and, in case we should succeed with a tender bid, it should cooperate with the Commission appointed to evaluate the projects. (...) In such a perspective the effective and long-term presence of the economic, scientific and technical experts in influent positions must significantly contribute to the development of both Syrian national economy and the international economy of the GDR, in the sense of providing a sound market position”<sup>66</sup>.*

Actually, diplomatic recognition in 1969 marked a shift toward *Realpolitik* in GDR policy toward Syria: in fact, at economic level, Berlin tried to adapt bilateral relations to international standards and apply more sound financial rationality<sup>67</sup>:

*“Since the end of the Sixties we urgently need to sell our products in exchange for hard currency: this was required to import other goods from foreign markets, particularly oil from Algeria and Iraq, and technology from Western Europe. Beside this, there were also other reasons to abandon the clearing system: the textiles we imported from Syria suffered from low-quality; the same was true for the wine we imported from Algeria in exchange for our industrial plant; actually, nobody liked them”<sup>68</sup>.*

Despite much efforts, East-Germany was not successful in extracting profits from Syria, because financial rewards for diplomatic recognition still let Syrians enjoy very favourable conditions<sup>69</sup>. According to Dawd Hido, former student in the GDR and Director at the Department of Foreign Trade of the Ministry of Economy:

*“The GDR planned to restructure its international economic relations. However, Syria was always an exception: until the very end, we gained favourable conditions for clearing, long-term credits and exemption from monetary transactions”<sup>70</sup>.*

Last but not least, the GDR provided the Ba’thist regime with the institutional framework to exert its leading role. The Ba’th Party was determined to attain hegemony over all of the country and compel other forces to recognize its political preeminence. Vice-Secretary of the National

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responsibility belonged to both countries’ ruling élites, who never pressed for closer cooperation in technological and environmental upgrading.

<sup>66</sup> Sapmo-Barchiv, DL2 VAN 1586, *Vorstellung des HV für den WTZ-Abkommen und den Einsatz der Berater*, HV der DDR in der SAR, an MAW, Direktionsbereich Übersee I, May 25, 1968, Gerlach.

<sup>67</sup> Wippel 1996, 4, 12-13, 24.

<sup>68</sup> H. Monsees, former GDR trade-attaché in Syria, 1979-1985, interview with the author, Berlin, January 15, 2006.

<sup>69</sup> H. Monsees, former GDR Trade-attaché in Syria, 1979-1985, interview with the author, Berlin, January 15, 2006. Klaus Gädt, former GDR Trade-attaché in Iraq, 1974-1981, expressed similar opinions, interview with the author, Berlin, January 18, 2006.

<sup>70</sup> D. ĩ d ū , former Director of the Foreign Trade Department and President of the Department for Energy at the Ministry of Economy and Foreign Trade; member of the Politbüro of the Syrian Communist Party (Fa ĩ al), interview with the author, Damascus, June 7, 2006.

Command of the Ba'th Party, Abd'allah al Ahmar reminded that:

*"The main reasons for our cooperation with the SED were the latter's progressive and socialist features, its support for the liberation of our lands and last but not least its experience in the management and organisation of the whole different social components of the country. (...) the SED and the socialist camp had a major advantage: the Party was present in every sector and social segment: they know how to deal with every sector and different interests, and this thanks to the Party organisation. (...) However, we never copy any model: we selected some features of other experiences, like the party organisation, the intelligence services and so on"*<sup>71</sup>

In the sixties, the Party still had a narrow political base and had to rely more on coercion rather than consensus. It asked East Germany for help in building effective organizations which would mobilize its constituencies: the Sozialistische Einheitspartei Deutschlands (SED) was eager to provide its institutional experience. From late 1966 on, the Ba'th Party developed close contacts and official exchanges with the SED, and the same connections occurred among the various Syrian Trade Unions and their East-German counterparts.<sup>72</sup> Such a relationship was approved with some ambivalence by the Syrian Communist Party (SCP), which had a long record of close cooperation with the SED: on the one hand, the socialist states effectively supported the SCP during negotiations with the Ba'thists and the establishment of the National Progressive Front, and the same was true in times of crisis and repression; on the other hand, the SCP feared marginalization because of the privileged relations between the two ruling Parties.<sup>73</sup> In the bilateral meetings, the SED exposed its organizational structures and in particular how the ruling party managed its relations with junior partners in the NPF; the same topics concerned discussions about the balance of forces inside the different Trade Unions, professional organizations, factories and public administrations. The SCP focused its attention on how popular organizations could contribute to Syria's modernization, whereas the Ba'th concentrated more on the political control of such organizations: that is, how to turn them into front organizations, which would promulgate the regime's policies without major dissent. Despite its efforts at hegemony or even political monopoly, the Ba'th Party had never been able to transcend the political pluralism and fragmentation that characterized Syrian politics. On the whole, the highly centralized Leninist model for mass mobilization had the historical merit to engage Syrian peasantry and youth into

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<sup>71</sup> Interview with the author, Damascus, August, 17, 2006.

<sup>72</sup> For the exchange of delegations between the SED and the Syrian Ba'th Party, see Sapmo-Barchiv, Abteilung Internationale Verbindungen, DY 30 A2/20 Bände 381, 871-876. For the relations between the respective Trade Unions, see Abteilung Internationale Verbindung der FDGB, Sapmo-Barchiv, DY 34 Bände 4173, 7959, 7963, 7965, 7974, 7976, 7983, 14028, 14194, 14195. For the relations among the GDR and Syrian Youth organizations, see Sapmo-Barchiv, Abteilung Internationale Verbindungen der FDJ, DY 24 Bände 6.829, 10.440, 10.447, 10.450; Abdallah al Ahmar, Assistant Secretary of the Ba'th Party National Command, interview with the author, Damascus, 17 August 2006; Raymond Hinnebusch, "Political Recruitment and Socialization in Syria: The Case of the Revolutionary Youth Federation", *International Journal of the Middle East Studies* 2 (1980): 143-174; Galia Golan, "The Vanguard Party." *Soviet Studies* 4 (1987): 599-609.

<sup>73</sup> For the relations between the SED and the SCP, see Sapmo-BArchiv, DY 30 A2/20 Bände 332, 371, 868-87.

politics. The question lay in the controversial nature of such a mode: on the one hand, the more the Ba'th regime used popular activism to fight against the traditional ruling élites or external threats, the more its constituencies prevented the dilution of its radical ideology and egalitarian policies; on the other hand, mass incorporation in an authoritarian regime never allowed fully inclusive participation.<sup>74</sup>

These aspects combined with regional instability and the long-term effect of the June 1967 defeat, which marked the end of the political hegemony of secular, nationalist forces in the Middle East, and eased the recovery of moderate and conservative ones. Despite initial opposition, both the SED and the SCP supported the “realist” Hafiz al Assad and his national reconciliation policy: they all converged on the priority of regime consolidation and legitimation.<sup>75</sup> The socialist states continued to support Syria not so much as a country on the so-called road to socialism but rather more realistically as a “modernizing, progressive” and “anti-imperialist” regime.<sup>76</sup> This was true for Heinz-Dieter Winter, former GDR Ambassador in Syria and senior official in the Ministry of Foreign Affairs:

*“The relations between the GDR and Syria were a “marriage of convenience” for both countries: the socialist camp was an obliging and necessary ally against Israel, but the Ba'th Party did not want to become a “natural” ally of the East against the capitalist West: actually, there was no common ideological base between the SED and the Ba'th Party (...). Especially after 1973, we realized that there was'nt any chance that Syria would turn into a socialist state or would even follow the Non-capitalist Road to Development. The parasitic and bureaucratic bourgeoisie had already consolidated”<sup>77</sup>.*

Far from introducing any major element of its own brand of socialism, the GDR contributed toward reforming and rationalizing some of Syrian central state institutions: the expansion of social services and economic activities required a much more complex administrative apparatus than the one inherited by the Ottoman empire or the French Mandate<sup>78</sup>. As a result, despite all rethoric and wishful thinkings, the GDR and its advisors contributed toward setting Syria in line with contemporary trends in international development and state-building; that is, a strong central state which could intervene extensively in economy and society in order to warrant a high degree of capital accumulation, social development and political stability<sup>79</sup>. One could, arguably, wonder

<sup>74</sup> See Mahmud Hussein, *Versant Sud de la liberté* (Paris, 1993); R. Hinnebusch, *Syria: Revolution from Above*, 2-13.

<sup>75</sup> However, domestic political tensions and dissent exploded whenever the Ba'thist regime faced a major external crisis. See, e.g. Telegramm nr.168/73, October 21, 1973, Konschel, MfAA/C 1388/75. See also A. G. Samarbakhsh, *Socialisme en Irak et en Syrie* (Paris, 1978), 143, 174.

<sup>76</sup> Information nr.14/73, Abteilung Internationale Verbindungen, Berlin, February 28, 1973, Markowsky, Sapmo-Barchiv, DY 30 IV B2/20 Band 86.

<sup>77</sup> H-D. Winter, former GDR Ambassador in Syria, 1976-1981, interview with the author, January 28, 2006. Much the same was expressed by W. Konschel, former GDR Ambassador in Syria, 1971-1978, interview with the author, Berlin, January 25, 2006.

<sup>78</sup> See Nadine Méouchy eds. *France, Syrie et Liban, 1918-1946. Les ambiguïtés et les dynamiques de la relation mandataire*, (Damascus, 2002).

<sup>79</sup> As far as the international and economic role of the nation-state, see Ayubi, 1996; Berger, 2004; Tibi, 1997.

whether a strong central state could effectively establish itself over a highly plural and fragmented society, such as the Syrian one. Nevertheless, for the time being, state and party institutions offered quite opportunities to improve social mobility, and challenged both traditional identities and power structures. For sure, such institutional framework suffered from high inefficiency, bankruptcy and hard resistance to any reform or improvement. However, like many other institutional systems, it did not prevent social and political change to occur.

## 6. Modernization according to the Syrian Ba'thists.

The Syrian Ba'th Party has always been highly fragmented and such divisions have translated into different visions of, and projects to achieve, modernization. However, state-building and industrial growth were the core features of their efforts, whereas the centralization of power and the priority attached to political rationality were their major strategies.

The nation-state was considered as the necessary and appropriate framework for modernization. In their search for Arab unity, the irrendentist Ba'th Party rejected the post-Ottoman geopolitical order but actually accepted most of the nation-state institutions as they got established in the 1920s. Since their rise to power in Damascus, the Ba'thists faced major political obstacles and their reformist agenda forced them to focus all efforts on Syria. Particularly after 1967, unitary or revolutionary pan-Arabism moved to intergovernmental pan-Arabism, based on the mutual respect of sovereignty.<sup>80</sup> Both the Ba'th Party and other nationalist forces considered the centralization of power and decision-making processes as best suited to enforce nation-building and accelerated growth. Actually, they considered state-power centralization as a major feature of modernity itself, so that, more often than not, "nation-building" was merely meant to be "state-building".<sup>81</sup> Domestically, the Ba'th Party was building its constituencies from peasants, urban workers, low- and middle-rank public employees and the military. State-building was to establish new institutions which would promote social mobility for those individuals and groups previously marginalized<sup>82</sup>. In order to address the legitimate claims of its constituencies, the Ba'thists planned to reform the state apparatus to assume new responsibilities over the economy and social services; in parallel, the extension of Party structures and the related mass organisations

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<sup>80</sup> *Idem*, 147, 164-173.

<sup>81</sup> R. Owen, *State, Power and Politics in the Making of the Middle East*, 28-29. See also Nazih N. Ayubi, *Over-stating the Arab State* (London, 2006).

<sup>82</sup> See Michel 'Aflak, "L'Idéologie du Parti Socialiste de la Resurrection Arabe." *Orient* 35 (1965): 147-166. However, all factions resorted to traditional and religious communities for support in time of crisis; see Nikolaus Van Dam, *The Struggle for Power in Syria. Politics and Society under Asad and the Ba'th Party* (London, 1996).

would have granted popular support to the regime's policies<sup>83</sup>.

It may be worth mentioning what President of the Council of Minister, the "radical" al Z'ayyn said to his GDR partner in October 1965: according to him, Syria still suffered from the heritage of the Turkish dominance and French colonialism; the state structure had not changed since 1946 and all attempts to reform it just vanished or never achieved any continuity; activity in the Ministries still depended on individual senior officials, who usually banked on clientelism and personal friendship; the very same educational system did not provide any competence except for lawyers, and the few cadres they had were often appointed in roles not suited to their competence. For the new Syrian Prime Minister, "*the whole system of state building and the state top-down decision-making process*" should be the main pillar of national reform: that implied the expansion of state power and control over society "*as the main instrument for socialist building*"; the functional training of cadres to the new state institutions; the reform of local autonomies and the related institutions; a new definition of the relationship between the Party and the state. Eventually, he related to referred to the German Democratic Republic as a useful point of reference, thanks to its own experience and competence:

*"I kindly ask you to introduce your experience into the heads of Syrian people, so that they know exactly where they are heading for as soon as you leave"*<sup>84</sup>.

Far from the depoliticized technocracy of many capitalist models, in Syria all debates about reforms were conceived and publicized as political acts, resulting from domestic and foreign struggles. In fact, institutional reforms mainly occurred when the Ba'th decided to curb its rivals' resources. During the massive nationalizations in 1964-1965, the Ba'th was still open to compromise as soon as the opposition forces agreed to recognize the regime; and this was true for foreign assets, too. Once these refused, the radical Ba'thists enshrined the measures in the long-term reform programme of the *Socialist Transformation*. Later on, al Assad defeated his internal rivals and stroke a compromise with the private sector through economic liberalizations in 1971 and 1974; and he legitimated his coup d'état by establishing the NPF and coopting the "moderate" left wing forces.<sup>85</sup> In short, since then economic and institutional reforms have always been considered by the Ba'thist leaderships functional and subordinated to the imperatives of regime-security.

State-building was thus conceived as a political act in the struggle for power against conservative opposition as well as the main tool to overturn the traditional centers of power, like

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<sup>83</sup> See also R. Hinnebusch, *Syria: Revolution from Above*, 89-125.

<sup>84</sup> Sapmo-Barchiv, DY30 IVA2/20, 874, Niederschrift Nr. 2, *Gespräch mit dem Ministerpräsidenten Dr. Yū suf al Z'ayyin*, GK der DDR in der SAR an ZK der SED, Abteilung Internationale Verbindungen, November 25, 1965, Sorgenicht.

<sup>85</sup> Bericht nr.329/70, *Die neue Regierung Syriens*, Damascus, December 12, 1970, Marter, Sapmo-Barchiv, DY IV2/20 Band 876; Telegramm nr.246/70, Damascus, December 11, 1970, Mirow, PAAA B36 IB4 Band 486; Bericht nr.6/65, *Dekrete über die Verstaatlichung in Syrien*, Damascus, January 17, 1965, Clausnitzer, Sapmo-Barchiv, DY IVA2/20

the *souq* or confessional authorities<sup>86</sup> : if religious faith in itself was respected, the Ba'ath officially opposed any interference of confessional institutions in politics and effectively consolidated secularism in Syria<sup>87</sup>. Actually, in the Sixties the Ba'ath was still far from being a mass organization and suffered competition from the communists, the conservatives and the Muslim Brotherhood. Resulting from harsh political struggles, state-building and power-centralization assumed a clear defensive feature which, in turn, increased the importance of security concerns and the related expenditures for coercive institutions.

Economic modernization was mostly equated with industrial growth in the Ba'athists' eyes. Agriculture was often seen as an auxiliary to capital accumulation which would be reinvested in industrial projects. On the whole, the Ba'ath favoured the integration of agriculture into the overall scheme of industrial development, through the extensive use of chemicals and mechanization, and, even more important through expansions of infrastructure like the Euphrates Dam.<sup>88</sup> After 1965, the state controlled most industrial activity and became the main agent of its rationalization and diversification, and the Ba'ath focused first on infrastructural development in order to boost later industrial production. However, boycott or mistrust from the private sector, lack of funds, and mismanagement often led to failures in the heavy industry sector, so that the regime later directed most investments toward agricultural production and to light and transformation industries. Since the state was the main agent for industrialization, the Ba'athists saw planning as the best strategy to rationalize its engagement. Prof. Issam al Zaim stressed the relevance of the central planning model for development as a reason for the socialist bloc breakthrough into the Third World:

*“Since the Fifties, there were many politicians and state officials which were interested in the introduction of a central planning economy: actually, what they aspired to was a systematic and precise planning of economic growth. In those years, there was the consciousness and real belief in the capacities of the planning model offered by the Soviet Union (...). Many developing states accepted to establish relations with the socialist states and welcome their influence more to organize their productive and planning forces rather than political of ideological allegiance in socialism”<sup>89</sup>*

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<sup>86</sup> Bericht nr.89/68, *Internes Materiel des Generalkonsulats*, Grunert, Damascus, October 10, 1968, Sapmo-Barchiv, DY IV2/20 Band 876; Bericht nr.285/68, *Die Lokale Selbstverwaltung*, Schwartz, Damascus, June 24, 1968, PAAA B36 IB4 Band 304; Roger Owen, *State, Power and Politics in the Making of the Middle East* (New York, 2004), 10, 28, 178.

<sup>87</sup> See Michel 'Aflak, “L'Idéologie du Parti Socialiste de la Resurrection Arabe.” *Orient* 35 (1965): 147-166. However, all factions resorted to traditional and religious communities for support in time of crisis; see Nikolaus Van Dam, *The Struggle for Power in Syria. Politics and Society under Asad and the Ba'ath Party* (London, 1996).

<sup>88</sup> Situated in north-central Syria, the dam and the related hydroelectric station were built between 1968 and 1977 by the Soviet Union and supplied irrigation water and electricity for central and north-east developing areas, see *Abschlussbericht*, Damascus, 12 October 1972, Griesbach, Ministerium für Auswärtigen Angelegenheiten (MfAA) B1212/75; Samir Amin, *Irak et Syrie, 1960-1980* (Paris, 1982), 13-43. O. Amiralay, *Film essai sur la vallée de l'Euphrate*, Damascus, Syrian Arab Television, 1971; VV.AA. *Les principales réalisations économiques syriennes* (Damascus: OAPD, 1974).

<sup>89</sup> Issam al Zaim, former Minister of Industry and Director of the Arab Center for Strategic Studies, interview with the author, Damascus, June 26, 2006.

However, under the Socialist Transformation programme and the GDR's advisement, the Syrians limited planning to public investments without enforcing it on the productive processes. In this sense, Syria was not much different from its "capitalist" neighbour Jordan: the latter, too, had comprehensive plans for investments in the expanding public sector and infrastructure and used planning as a loose coordination strategy among economic sectors, which were considered "strategic" for a viable market economy.<sup>90</sup> In Syria, this approach was to be complemented by the urbanization of the rural workforce: the massive entry of peasants into the sector of salaried work was conceived as necessary to increase both industrial production and cash transactions.

Every process of change was to face obstacles and resistance which could be overcome with the support of a broad national consensus over reforms: this involved a process of political and social legitimization of the ruling élite according to the theory and practice of *hegemony*<sup>91</sup>. However, the Ba'th Party did not enjoy yet the national consensus it was required: opposition, resilience, contempt ran high all over Syria these and were dealt mainly with coercion. Though the Syrian Communist Party was still in competition with the Ba'thists and its allegations could be somehow biased, its leader Khālid Bakdāš told his German partners about the overall approach to labour forces of President Z'ayyin:

*"President Yūsuf Z'ayyin would believe that he could get rid of the labour class and the Syrian Communists from one day to another, just like "you draw from a man his sick blood and inject him with the new",* <sup>92</sup>.

Moreover, though the Ba'thist partners often claimed the contrary, they both endorsed a top-down, authoritarian approach to development and structural change. Their theories and practices actually favoured mass mobilization rather than popular participation of the classes they claimed to represent: namely, labour forces, peasants, intellectuals and state employees. As a matter of fact, they were much more concerned with appointing their loyalists to top and senior positions in ministries, enterprises, cooperatives and unions, rather than profiting from people's expertise and competence. This fitted well, and probably was necessary too, with the ongoing political struggle for state-power but, as the two Germans reported, it was done often at the expenses of workers

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<sup>90</sup> François Rivier, "Rente pétrolière et politiques industrielles des Etats non pétroliers: Egypte, Jordanie, Liban, Syrie." in *Industrialisation et changements sociaux dans l'Orient arabe* (Beirut, 1982), 69-143; *Jahresanalyse 1970*, Damascus, January 28, 1971, Gerlach, Sapmo-Barchiv, DL2, Band VA 1225.

<sup>91</sup> For the concept of hegemony I mainly refer to the works of Antonio Gramsci, that is the capacity of the ruling class to exert power by both dominion and consent, and to establish its own values and interests as "universal", here meaning "national". For an introduction, see S. Belligni, "Egemonia", *Dizionario di Politica* (Torino, 2004), 302-303; A. Gramsci, *Quaderni dal carcere* (Torino, 1975); L. Gruppi, *Il concetto di egemonia in Gramsci* (Roma, 1972) and C. Buci-Glicksmann, *Gramsci e lo Stato* (Roma, 1975).

<sup>92</sup> Sapmo-Barchiv, DY30, IVA2/20, 871, Bericht nr. 23/67, *Gespräch mit Genossen K. Bakhdash und Einladung zur Parteitag der SED*, GK der DDR in der SAR an ZK der SED, Abteilung Internationale Verb. indungen, February 6, 1967.



and peasants, so that these were prevented from participating actively and pledging their hopes and allegiance to the regime. GDR *Regierungsberater* at the Ministry of Agriculture, Heid, reported that one major problem concerned the difficulties encountered by peasants' cooperatives: as far as the few existing ones were concerned, Heid criticized their rigid and vertical structure which prevented any real participation and engagement of peasants:

*"The disadvantage of such an exclusive top-down development of cooperatives is the fact that peasants behave passively in regard to the cooperative; there are almost no competent managing directors and the peasants do not ask to have a stake in the direction of the cooperatives; state assistant supervisors replace the management"*<sup>93</sup>.

The lack of direct popular control over those institutions supposed to run the country left people exposed to the risks and sufferings that industrialization and modernization implied. However, far from being exclusive to Ba'athism or GDR-style marxism-leninism, these features were common to most "modernization" theories and practices in contemporary history<sup>94</sup>.

## 7. Conclusions

As the bipolar competition entered decolonization processes, both camps adapted to the major challenges the new states had to face: political independence and economic development. They offered their own models for modernization as alternative and closely connected with camp-choice. Syria, however, rejected these assumptions and maintained contacts with both industrial camps on the basis of their perceived needs. "Tough" and selective Arab negotiators proved successful forcing bipolar champions to their demands, so that much of the Cold War rhetoric of both sides was actually neutralized. Here is an example of how Active Neutrality could work on the ground. For the time being, regional dynamics seemed to contain and to balance the bipolar ones, forcing the two camps to commit into local politics if they wanted to preserve or gain influence. Bending to local politics offered major bargaining room and resources for the Arab élites as far as both camps could sustain the costs and burdens of massive foreign interventions. Inability to realize the independent dynamics affecting the South could lead to disaster in terms of political intervention and financial expenditure. The point was quite obvious for the two Arab states, but less for the GDR and the FRG which had to adapt to a context of not their own making.

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<sup>93</sup> MfAA B1.213/75, *Bericht über einige wichtige Seiten der Entwicklung der Landwirtschaft in der SAR, über meine Tätigkeit in der SAR im IV.Quartal 1968 und über die Schlussfolgerungen für die weitere Arbeit*, GK der DDR in der SAR an MfAA, Abteilung Arabische Staaten, Damascus, January 26, 1969, Heid.

<sup>94</sup> See Robert J.C. Young, *Postcolonialism, A Very Short Introduction* (Oxford, 2003); Mezzadra, 2008, Rist, 1996, and also Alain Richards, John Waterbury, *A Political Economy of the Middle East* (Boulder, 1998).

The relationship among the two Germanys and Syria was consistent with the international division of labor of that time. Both German states exported high-value-added goods, as well as the related know-how and managerial expertise their efficient use required to an Arab periphery which relied on natural resources, cheap labor and light manufactures. The industrialized Germanys acquired major surpluses because of the unbalanced terms of trade with this periphery.<sup>95</sup> Like the rulers of other third-world states, the Ba'thists advocated for a different international division of labor, and supported industrialization in the South: they called for more equitable terms of trade and agreements, which would provide capital for technology and encourage knowledge transfer; these would have stimulated domestic production and consumption, as well as having later facilitated the export of manufactured goods to the world market.<sup>96</sup> Thus, they did not oppose integration into the world market, but did feel that it should be carefully controlled, so as to advance domestic priorities. With these objectives in mind the Ba'thists evaluated and experimented with two models of development. In the 1960s and early 1970s, following Syrian requests, first Bonn and then East Berlin dispatched to Syria hundreds of engineers, agronomists, geologists, economists, and political advisors.<sup>97</sup>

The two Germanys and Syria had their own approaches to modernization, but they all shared some common features: state-power enhancement, reliance on technological progress, and industrialization. For all three, modernity was equated with instrumental rationality as well as with capital and labor mobility. The overall main goal of each state was the development of an industrial society based on technological progress.<sup>98</sup> Despite such similarities, the FRG's and GDR's models diverged for two major, substantial factors: first, the two models offered different financial and technical conditions for trade, loans and scientific cooperation; second, they addressed different social groups whose claims and ambitions increasingly clashed with one another, as national independence fed both political consciousness and individual/collective mobilization.

Obviously, the new political cleavages embedded within capitalism and nationalism could not but combine with the changing social structures and the political cultures of every individual state. The Syrian Ba'th Party selected some major features of the socialist institutional model for domestic and strategic reasons: still lacking broad popular support, it relied on a centralized organizational model to build its own constituencies and hold on power; the state-led economic

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<sup>95</sup> See *Rapport économique from 1963 to 1972* (Damascus: OAPD); Paul Bairoch, *Storia economica e sociale del mondo* (Turin, 1999), 1311-1329.

<sup>96</sup> Alain Richards and Johan Waterbury, *A Political Economy of the Middle East* (Boulder, 1998), 21; Giovanni Balcet, *Industrializzazione, multinazionali e dipendenza tecnologica. L'esperienza dei Paesi arabi esportatori di petrolio* (Turin, 1980), 85.

<sup>97</sup> Usually, they worked in ministries or in state-related institutions, like universities, research centers, factories, and cooperatives, Bericht nr. 39/66, *Aktivitäten der SBZ in Syrien*, Damascus, February 19, 1966, Pfeiffer, PAAA B36 IB4 Band 254; Bericht nr. 108/64, *Die Tätigkeit Westdeutschlands in der SAR*, February 14, 1964, Gaile, Sapmo-Barchiv, DY 30 IV 2/20 Band 875.

<sup>98</sup> See David Harvey, *The Condition of Postmodernity* (Oxford, 1990), 10-38, 98-112; and David S. Landes, *The Unbound Prometheus, Technological Change and Industrial Development in Western Europe from 1750 to the Present* (Cambridge, 1969), 535-555.

planning provided the regime with the administrative capacity to collect capital and granted the political autonomy to enforce its rules over economic and political opposition forces. Last but not least, the socialist camp provided Syria the much needed political and material support for the disruptive conflict with Israel. In the case of Syria, the GDR approach to modernization proved more successful but its influence depended heavily on the political fortunes of its Syrian partners. The former FRG ambassador, Dr. Mangold, labelled the Ba’thists’ politics as “*die pragmatische Politik des improvisierten Sozialismus*”<sup>99</sup>. Without sharing his disdain, one can conclude that he was correct, in the sense that major transformations in Syria rarely if ever followed linear paths; rather, they were based on a learning-by-doing process and were consequently open to the forces and contingencies of political struggle.

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<sup>99</sup> “The pragmatic politics of an improvised socialism”, Bericht nr.83/64, *Bericht über die Unruhen in Hama*, April 16, 1964, Mangold, PAAA B36 IB4 Band 125.