



Thinking Ahead
for the Mediterranean



WP2 – Geopolitics & Governance

Syria and Lebanon: Diverging paths of state unsustainability

Silvia Colombo

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Abstract

Any analysis of the prospects for stability and sustainability in the states of Syria and Lebanon reveals the strong ties that exist between these two countries and the impact of external influences on their overall development. Their trajectories, while starkly divergent in terms of the challenges confronting them at present, converge on a path of long-term unsustainability.

Lebanon is in the midst of yet another transition phase, triggered by the collapse of Hariri's government in January 2011. The current situation might be described as one of deteriorating status quo; the state is performing poorly in terms of its delivery of fundamental public services and its institutional legitimacy is tenuous in the face of emerging para-state structures and latent (occasionally active) violence.

In Syria, challenges to the sustainability of the state have evolved dramatically since the beginning of 2011, and are now nearing a tipping point. In view of the mounting unrest and violence in the country, the future prospects for its economic and political development are dim. More ominously, the risk of widespread conflict, with sectarian overtones, cannot be discounted.

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Silvia Colombo*

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1. Introduction

The past decade has left Syria and Lebanon with a volatile legacy, both on the domestic and foreign fronts. A number of unresolved issues are likely to determine the future sustainability of these two states and that of the whole region. Both in the short and long run we can identify a number of challenges that loom before the two Middle Eastern countries.

The fundamental difference between the two is that while Syria faces numerous long-term challenges as it moves away from a controlled economy – witness the conflictual state-society relations and turmoil currently sweeping the country – in Lebanon the absence of a solid and well-functioning state engenders a chronic lurching from one crisis to the next with challenges that are eminently short-term in nature. Debating the challenges to the stability and deeper sustainability of these two Middle Eastern countries also reveals the strong ties between them; ties that are often strengthened by sectarian affiliations and external influences.

2. Syria: the limits of economic liberalisation

Uncoupling economic and political reform

Since his rise to power in 2000, Syrian President Bashar al-Assad has had to confront a number of international and domestic challenges that have put the stability of the country to the test. Along with being catapulted to the centre of international crises over the last decade, Syria has had to cope with acute domestic problems from mixed economic performance, troubles with the Kurdish minority and a string of terrorist attacks – all of which have contributed to portraying Syria as an even more unstable country than previously thought (Cavatorta & Gomez Arana, 2010; Lawson, 2009). Against this backdrop, the Syrian state has until very recently been able to tackle these challenges effectively and to maintain its power positions both domestically and abroad. At the beginning of 2011, Syria seemed to be insulated from the wave of popular uprisings sweeping the North African and the Middle Eastern regions. This situation changed dramatically on 18 March 2011, when protests erupted in the southern city of Dera'a and were violently crushed by the security forces. In order to understand these events and to be able to assess the prospects of future development in the country, it is necessary to first draw the political and economic trajectories that have characterised the regime of Bashar al-Assad.

Domestically, the past decade has been marked by the rise to power of the new president and of a new group of technocrats and businessmen that, like al-Assad and his wife, have been educated abroad and largely see the need to comply with the imperatives of economic liberalisation and modernisation. The growing drive towards liberalisation and privatisation, and the steady reduction of state intervention in the economy have represented a significant shift in Syria's management of domestic economic affairs after the heyday of socialism in the 1960s, and the limited opening in the 1970s through the *Infitah* launched by the former president.

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Furthermore, the economy of Ba'athist Syria was traditionally subordinate to the constraints of foreign policy: the centralisation of power in view of the conflict with Israel.

The 1986 financial crisis proved to be a major push for the first round of reforms, culminating in the 1991 Investment Law that allowed a private sector to emerge. The advent of Bashar al-Assad in 2000 inaugurated a new phase in which economic development and integration into regional and global markets became primary objectives. At the same time however, the US-led invasion of Iraq in 2003 also increased Syrian incentives to guard the regime's stability against the violent destabilisation in neighbouring Iraq. As a result, the economic opening was cautious, based on the cooption of new forces into decision-making structures, namely urban, mainly Sunni, private tradesmen and industrialists, whose interests were equated to the interests of the Alawi regime. Significant changes, including the opening of the banking sector to local and foreign (mainly Lebanese) banks, were implemented under the banner of the "social market economy", first spelled out in the tenth Five Year Plan presented in December 2005 (Lawson, 2009, pp. 47-49). A number of adjustment costs were anticipated and instruments to alleviate these were foreseen. While early in 2005, the State Planning Commission pointed to the alarming state of the Syrian economy, with over 24% unemployment, plummeting added-value in the manufacturing sector, deteriorating productivity, inadequate macroeconomic policies, and the risk of a rapid shift in the oil trade balance from surplus to deficit (Aita, 2006), the economic reforms implemented in the second half of the 2000s yielded relatively positive results. As discussed by Zallio, foreign direct investments (FDI) increased by 88% in 2007 and by a further 18% in 2008. The macroeconomic impact of these reforms was also positive and the country's economy registered a 5% growth per year since 2006, with a projection of 5.5% growth for 2011 (Zallio, 2010).¹

However, the reform effort was limited and piecemeal in an attempt to avoid shocks that could disrupt the country's security and the regime's hold on power. Reforms were limited to the economic realm, leaving the domestic political arena purposely untouched. At the political level, there has been no sign of any genuine opening. Although a number of long-awaited political reforms had been promised by the president during his speech on the withdrawal of troops from Lebanon between April and May 2005 – among which the creation of a Senate in which the political opposition could have a voice – the tenth Congress of the Ba'ath Party in June 2005 postponed these reforms, including the recognition of political parties outside the pro-regime National Progressive Front (NPF). This move silenced any talk within the Ba'ath Party of political change, fossilising the mantra that security and economic development must take precedence over political reform.

On the political front, the past decade has been marked by significant events. The tenuous and largely negative experience of the Damascus Spring, in which the Syrian civil society movement called for the state of emergency to be revoked and press freedoms and freedom of association to be granted in 2000-2001, was subjected to a vigorous crackdown. More intense crackdowns followed in the aftermath of the US-led invasion of Iraq (Lawson, 2009, pp. 126-136). In October 2005 again, only a few days before the scheduled release of the United Nations' first report on the Hariri assassination, a number of political and social movements signed the "Damascus Declaration", a document establishing a unified platform for democratic change. The Declaration called for "radical change in the country and the rejection of all forms of cosmetic and partial reforms that avoid addressing the real issues" (Aita, 2006, p. 6). However, this push for political change met with strong repression from 2006 onward, when the regime regained confidence after being forced out of Lebanon, and it soon lost vigour. In 21st century Syria political dissent is as repressed as it was under the former president, particularly as a result of the state of emergency that allowed for the forced detention of any person accused

of threatening the country's security.² In some respects, such as the freedom of expression, the situation appears to have worsened,³ despite and even partly because of the widespread use of new technologies, such as internet and social networks, and the expansion of mainly private media outlets. In 2007 for example, a new regulation was issued requiring website operators to list the names and email addresses of anyone posting on the site. In 2008, some 169 websites were blocked (Lawson, 2009, p. 138).

Regional/international and domestic factors explain the persistence and entrenchment of political repression up to the present day. On the one hand, the failure of President Bush's Middle Eastern plans, epitomised by the disastrous situation in Iraq, as well as the growing spectre of Islamist parties in the region (especially after the 2006 elections in Palestine), emboldened Bashar al-Assad to crack down on the opposition.

[F]ar from being a spur to Syrians to rise up and demand freedom, the Iraq example taught a new generation of Syrians to appreciate the stability and security of rule by a strong man. Authoritarianism throughout the Middle East is being refurbished and modernised (Lawson, 2009, p. 139).

Also linked to the Iraq war, and impacting negatively on Syrian domestic politics, has been the dramatic influx of some 1.5 million Iraqi refugees. On the other hand, due to the pervasive fear of Syrian security forces, "the Syrian opposition was never able to rally more than a few hundred followers for public protests" and the public has been marked by new generations of apathetic and depoliticised Syrians (Lawson, 2009, p. 138). In other words, regional events and domestic reactions persuaded Syrians that change, especially in the political arena, should not be achieved through chaos and destabilisation. But this seems to be changing, and a new unwillingness to tolerate what Syrians had long grown used to has emerged, namely the arrogance of power in its many forms, brutal repression and vague promises of future reform. As a result of events taking place elsewhere in the region, a new awareness and audacity have materialised and people are now bravely starting to challenge the assumption that stability at all costs is the best solution.

Despite ongoing political repression, the need for reforms became increasingly acute as the 21st century has progressed. The global recession had a profoundly negative impact on Syrian employment and remittances from Syrian workers in the Gulf. Furthermore, the 2006-2010 droughts disproportionately affected Syria, in particular 1.3 million Syrians, 95% of whom live in the north-eastern provinces (Haddad, 2010). In this context, the government tried to shield itself from criticism by increasing social and insurance services and by allowing more room for manoeuvre to civil society. "In the Syrian context, the term civil society is used to refer to charities and associations working in the fields of social, economic and environmental development, most of which have ties to the government" (Harding, 2010). A first move to grant more visibility and vitality to Syrian civil society was made by first lady Asma al-Assad during the first international conference convened in Damascus in February 2010 under the banner "The Emerging Role of Civil Society in Development". On that occasion, she announced that the government was preparing a new law on non-governmental organisations, which to date has not yet been enacted. Alongside the expansion of civil society, borne out of the regime's realisation that the state could not achieve social development alone, the Syrian public sector is increasingly resorting to public-private partnerships (PPP) both to provide public services to the population and to attract direct foreign investment (FDI).⁴ Despite the growth of private enterprise and the dramatic increase in the number of civil society organisations (CSOs) – from

² Around 40% of the Syrian population has lived under emergency law all their lives.

³ Author's interview with a Syrian journalist, 13 December 2010.

⁴ Author's interview with a former official of the Syrian regime, 13 December 2010.

540 in 2001 to 1,500 in 2011, according to the Ministry of Social Affairs and Labour – it remains to be seen whether Syrian non-state actors have definitely turned a new page. As stressed by the Euro-Mediterranean Human Rights Network (EMHRN), quantity alone should not be taken as an indicator of the health of civil society (EMHRN, 2009). Nonetheless, these developments in the social realm need to be taken into account when identifying the actors that could represent vectors of political change in the current phase of transition.⁵

The seemingly static priorities of Syrian foreign policy

Syria's domestic trajectory has been and will continue to be tightly intertwined with its foreign policy and Syria's broader geopolitical position on the Middle Eastern chessboard. From a general perspective, it could be argued that foreign policy has so far worked as a security valve for occasional domestic political tensions, with a profound stabilising effect. Put simply, the persistence of the Arab-Israeli conflict and Syria's confrontation with Israel – and in part with the 'West' according to some readings (Cavatorta & Gomez Arana, 2010) – have allowed the regime to cultivate its nationalistic credentials and its leadership of the resistance front. In many respects, foreign policy has provided a level of political legitimisation for the domestic regime, which is trying to exploit it also in the current phase of domestic turmoil – not just to deflect people's frustration but also to justify the limited degree of political liberalisation in Syria.

Syrian foreign policy has continued to be dictated by the tenets of former President Hafiz al-Assad (1970 to 2000) and by the country's geopolitical context. In terms of priorities, no issue weighs more heavily for Syrian authorities and the population at large than the recovery of the Golan Heights from Israeli hands. Next to this comes the imperative of a comprehensive settlement of the Palestinian problem, the stabilisation of Iraq and the ongoing vigilance at the unstable situation in Lebanon. As will be discussed in greater detail elsewhere, the Syrian regime cannot tolerate a hostile government in Beirut since its security – especially vis-à-vis Israel – is intimately linked to that of its Lebanese neighbour.

All these theatres of operation threaten to destabilise the Syrian state and have provoked Syria's international isolation, particularly over the last decade. For example, the 'special' relationship with Lebanon, inaugurated by the Syrian military-political takeover of the country after the Lebanese civil war, alienated Syria from the West in the early years of the 21st century. The relationship between Syria and Lebanon is complex and cannot be understood through the lens of a rational foreign policy.⁶ This relationship has also undergone significant and sometimes abrupt changes, most prominently after the assassination of former Lebanese Prime Minister Rafiq Hariri in February 2005. This event was the catalyst to the withdrawal of Syrian troops from Lebanon, also under the pressure of an increasingly critical Syrian public with regard to the authorities' role in the 'country of the cedars' (Aita, 2006).

Within the evolving Middle Eastern geopolitical context, Syria has positioned itself with respect to the three non-Arab power poles in the region: Iran, Turkey and Israel. The ongoing conflict with Israel has had a twofold repercussion on Syria. On the one hand, the conflict has so far represented one of the major forces holding Syria's social, political and economic development hostage under the pretext of prevailing external security concerns.⁷ More concretely, the conflict entails a disproportionately high defence budget, approximately 30% of GDP,⁸ which drastically reduces investments in other sectors that could generate socio-economic development. On the

⁵ Works exploring the positive contribution of civil society organisations to democratisation include Brynen et al. (1995-1998) and Salamé (1994).

⁶ Author's interview with an historian and journalist working in Lebanon, 15 December 2010.

⁷ Author's interview with a former official of the Syrian regime, 13 December 2010.

⁸ Author's interview with a former official of the Syrian regime 13 December 2010.

other hand, the Arab-Israeli conflict has squarely positioned Syria among the ‘resistance’ camp in the region. The conflict has, in fact, negatively split the Arab camp into three parts: the first comprises those countries that have signed a peace treaty with Israel: i.e., Egypt and Jordan; the second is made up of those states that maintain an unofficial relationship with Israel, i.e., the Maghreb countries; and the third group includes countries like Syria that are still in open conflict with Israel.

Vis-à-vis Iran and Turkey, Syria has consolidated strong relations, the former having become one of Syria’s few allies in the region vehemently opposing Israel, the latter having set aside decades of enmity and established a Strategic Cooperation with Syria in 2009.⁹ These privileged relationships have been critical in helping Syria to re-emerge from the isolation it found itself in after Hariri’s assassination. As for Turkey, Syria has been trying to expand the Ankara-Damascus axis to the other countries of the Middle East. Its bold “Five Seas approach”¹⁰ positions Syria as a hub of multi-regional cooperation in the fields of energy and transport. This new strategic vision also addresses the vicious circle created by the persistence of the conflict with Israel, which represents the paralysis of regional cooperation plans and thus the undermining of development prospects. Economic cooperation and integration among ideologically close partners are considered to be a crucial means to conduct foreign policy. According to Syrian policy-makers, forms of multi-regional cooperation could and should start, even in the absence of a genuine peace process. This approach is aimed at highlighting how Middle Eastern cooperation can be effective only if it excludes Israel – something that the EU’s Barcelona Process and the Union for the Mediterranean have painfully attempted to avoid. It is also intended to bring about concrete benefits to the region in terms of economy and infrastructure¹¹ and to create a defence system protecting Syria from international isolation.¹²

Unlike the relationship with Turkey, the alliance with Iran, as well as with Hamas and Hezbollah, has hardly helped improve Syria’s image and position in the international arena. But the relationship between the two non-state actors is not a linear one.¹³ While it is undeniable that Syria is committed to Hamas and to Hezbollah, the former representing the main opponent to Israel’s plans in the region and the latter its close ally in Lebanon, it is also true that Hezbollah has grown stronger in the last few years, in particular following the 2006 war against Israel, and consequently has become less amenable to Syrian influence. In the eyes of the Syrian regime, any targeting of Hezbollah is perceived as a threat to its own foreign policy role as the leader of the resistance camp, given that Syrian support for the Islamist party-movement represents a powerful bargaining chip in the country’s external relations. The support Syria lends to Hezbollah plays out significantly in the ongoing Lebanese crisis and the events that led to its eruption. While the dynamics of the domestic Lebanese conflict will be explored in greater detail below, it is worth mentioning Syria’s unconditional support for Hezbollah’s conditions with regard to the Special Tribunal on Hariri’s assassination. These conditions included: i) a clear distancing from the indictment by the Lebanese government; ii) the signing of a truce among all factions until the next presidential elections scheduled for 2012; and iii) an

⁹ In 2010 Damascus exported to Turkey over USD 530 million worth of goods, up from USD 220 million in 2009. See Zallio (2010).

¹⁰ The seas involved are the Mediterranean, the Caspian, the Black Sea, the Red Sea and the Arab Gulf.

¹¹ In the upcoming Five Year Strategic Plan (2011-2015) USD 75 billion are allocated to the upgrade of infrastructure. Author’s interview with a Syrian researcher, 19 December 2010.

¹² The Syrian approach of having “zero problems with many countries” has strong similarities with the Turkish one under Foreign Minister Davutoğlu. While the aim here is not that of comparing the two approaches, it is useful to stress that similarities between the two could have positive repercussions on the overall development of the Middle East. See Kirişci (2011).

¹³ Author’s interview with a Syrian professor and former member of the parliament, 12 December 2010.

acknowledgement that Hezbollah's weapons would not be up for bargaining. In January 2011, the Lebanese parties failed to reach an agreement on these points, triggering the resignation of eleven Hezbollah ministers from the government, and in turn the fall of the cabinet. The political situation remains fluid, but the possibility of a new round of civil strife cannot be ruled out.

A final dimension in Syria's foreign policy that is worthy of discussion is the relationship with the EU. Despite Syria's conviction that it is the United States that holds the key to Middle Eastern security, US foreign policy in the region both under Bush and Obama¹⁴ has increasingly pushed Syria towards the EU (Hinnebusch, 2003, p. 3). However, EU-Syrian relations have been tarnished by difficulties and misunderstandings, as manifested by the protracted negotiations over the Association Agreement. The negotiation started in 2001 on the wave of the liberalising trends of the early Bashar years. In line with other Association Agreements, a strong emphasis was placed on market-oriented economic reforms and administrative restructuring to be followed by more significant political reforms (Cavatorta & Gomez Arana, 2010, pp. 635-637). Between 2001 and 2004 the balance of power between the two partners turned significantly in favour of the EU due to Syria's international isolation. By exercising strong leverage, the EU was able to impose the full opening of the Syrian agricultural market and stricter clauses on non-proliferation and human rights protection. However,

[W]hile the Syrians were pressing the EU to move ahead with signature and ratification in order to gain both international legitimacy and accelerate the pace of economic reforms, the EU stalled in order to punish Syria for its antagonistic regional policies,

namely in Lebanon and in Iraq (Cavatorta & Gomez Arana, 2010, p. 637). So much did the EU stall that the balance of power started to change after 2005, when an emboldened Syria decided to postpone indefinitely the signature of the Association Agreement in view of the "potentially destabilising effects" that some of its provisions could have on its economy.

As far as the EU's role in spurring political change in Syria, it has always maintained a rather cautious approach. As argued by Cavatorta & Gomez Arana (2010, p. 641): "the EU is very much aware of the [Syrian] national context and operates according to the assumption that Bashar and his ruling party are in fact a factor of domestic stability". This stance will have to change in response to the current wave of popular uprisings in the Middle Eastern region; although it is still not clear what kind of lessons the EU will be able to draw from these events. A significant overhaul of the EU's foreign policies towards the Mediterranean should start with the clarification of the EU's position with regard to the Syrian transition.

Neither sustainability nor stability

From this analysis of Syrian domestic and external factors, it appears that the main challenge for the Syrian ruling elite is that of managing economic and social reforms without threatening its hold on political power. Until very recently the domestic situation in Syria could have been described as stable, with a significant difference between elements of dynamism particularly in the economic realm (dynamic stability) and of stagnation particularly in the political realm (stagnating stability).¹⁵ Until then, stagnating political stability had been made possible also by the legitimising character of Syrian foreign policy, in particular with regard to the ongoing conflict with Israel. Taking a more in-depth look, however, even before the recent eruption of unrest, it was apparent that the overall long-term sustainability of Syria's development process

¹⁴ Only four months after coming to power, in May 2009, President Obama renewed sanctions on Syria that were imposed by G.W. Bush in 2004. It was only in December 2010 that the US president named Robert S. Ford as Ambassador to Syria, a position left vacant since 2005.

¹⁵ Author's interview with a Syrian professor and former member of the parliament, 12 December 2010.

could not be taken for granted. The apparent stability of the country contrasted with a number of broader underlying trends and structural socio-economic as well as political challenges, which rendered Syria far from immune from the wave of popular discontent. The timing of the breaking up of the situation of apparent stability could not have been foreseen without taking into account the developments in other countries that saw the eruption of protests and the ensuing collapse of long-standing authoritarian regimes in the early months of 2011. In other words, while a number of elements made the situation in Syria ripe for instability and demands for change, it could be argued that this would not have taken place without the psychological effect of emulation and empowerment triggered by the experiences of Tunisia and Egypt. Before delving into the recent events that have already started to profoundly change the face of the country, it is important to recall the most significant factors of unsustainability that have beset Syria for some time and have even intensified in the last decade.

High on the list is the conspicuous level of corruption permeating all aspects of Syrian public life. According to the International Country Risk Guide (ICRG), which includes a Political Risk Index of 12 components measuring various dimensions of the political and business environment, the control of corruption in Syria deteriorated from a level of 0.666 in 1996 to 0.333 in 2009 (in a scale ranging from 0 to 1 where 1 represents the best performance).¹⁶ These high levels of corruption represent both an outcome and an obstacle to the deepening of the reform effort, be it only in the economic realm. At the same time, the Syrian regime has also always had an interest in breeding corruption as a parallel form of reward to the people participating in some of the activities it controls.¹⁷

Second, the gap between the elite in power and the population is increasing. The issue is mainly one of trust, given that those who occupy the higher echelons of the political establishment, the president *in primis*, are not accountable to the people and sometimes, according to the latter, do not express their preferences or meet their needs. The fact that Bashar al-Assad was re-elected president in March 2007, running unopposed and receiving 96.7% of the vote is illustrative of the absence of political pluralism in the country.

Third, despite wide public support for economic reforms, it is possible to detect some signs of social protest amongst certain strata of the population. Until March 2011, manifestations of discontent against domestic socio-economic problems and in particular rising levels of inequality and poverty involved a limited share of the population and did not include demands for political change. The most significant emerging trend during the past half-decade has been the growing Islamist mobilisation in direct or indirect support of people protesting against socio-economic grievances. For example, although the Muslim Brotherhood is banned in Syria, some sheikhs known for their radical positions have expressed their support for the social protests. The regime has initially reacted by enacting laws banning the display of any signs of religious affiliation on taxis and minibuses and the wearing of the *niqab* in schools and universities. Furthermore, the regime has mobilised certain soap opera producers to attack Islamists in some of the most popular forms of TV entertainment. All in all, while the last couple of years have seen growing clashes between the Syrian regime, centred around the Alawi dynasty and Sunni radical Islam, the regime seemed to overestimate the Islamic threat in the country as a means to enact strongly repressive policies. True, religiosity has been on the rise, spurred, inter alia, by the post-9/11 security environment, the 2003 war on Iraq and the tensions in Lebanon following the assassination of Rafiq Hariri.¹⁸ The Alawi minority regime, feeling threatened, has attempted to bolster its religious credentials by fasting at Ramadan and avoiding

¹⁶ See *Political Risk Services International Country Risk Guide (ICRG)* at www.prsgroup.com (accessed 15 February 2011).

¹⁷ Author's interview with the editor of "The Syria Report", 13 December 2010.

¹⁸ Author's interview with a Syrian researcher, 19 December 2010.

drinking too much alcohol. However, until very recently mild Islamisation and social discontent did not amount to an imminent bottom-up political mobilisation in the country, due to widespread depoliticisation and the sheer absence of an organised opposition.

This situation seems to have changed dramatically with the first protests in Syria during the second half of March 2011. In the euphoria of the so-called Arab Spring, assuming that unrest in Syria will eventually lead to the collapse of the al-Assad regime may be an unrealistic assumption, given that the situation on the ground is still far from clear. Similarly, assuming that the events that have been unfolding in Syria are an exact copy of the scenarios that led to the fall of the regimes in Tunisia and Egypt is also a misreading of reality. A number of elements can be pinpointed that throw light on the peculiar character of the Syrian protests and the regime's reaction to them.

At the time of writing the Syrian uprisings seem to be fed by clearly defined pockets of protest rather than by a large popular national movement, thus somehow distinguishing the Syrian case from what happened in Tunisia and Egypt. Furthermore, while the situation in some areas of the country, particularly the south and the cities of Hama and Homs, has seen violent clashes between the protesters and the security forces, leaving more than 1,000 people dead, the capital Damascus and Aleppo, the other major city in the north, seem to have been somehow spared the furious conflict. So far all eyes have been on al-Assad, while limited attention has been devoted to the actual strengths and demands of the protesters, also because they do not represent a clearly defined group but rather a collection of actors expressing their grievances with the current regime. At the beginning of June some opposition movements gathered in Antalya, Turkey, for the Syria Conference for Change during which they expressed their support for the Syrian protests and called on President al-Assad to resign immediately. This can be considered as the first attempt to articulate the objectives of the protests after more than two months since the beginning of the Syrian uprising. However, it should be underscored that this move came mostly from the exiled community and from the opposition movements based outside the country, thus raising the issue of the likely disjunction between this movement and the internal camp in terms of the profile of the actors, their demands and their strength.

Turning to the regime's response, since the beginning of the protests the president has made clear that he is willing to lead the process of change at his own pace, on various occasions stressing the need to proceed through gradual reforms with a view to avoiding abrupt changes out of contingent pressures and to protecting the fragile stability of the country. He is openly gambling that if the economy, which for a decade has been the target of the only reforms in the country, improves sufficiently, many of the reasons for dissatisfaction will simply disappear and Syrians will be less inclined to make demands in other areas. This line of reasoning may seem naïve if one takes into account the events of Tunisia and Egypt, where people started protesting out of socio-economic grievances and ended up calling for the abolition of the corrupt, authoritarian and unaccountable regimes of Ben Ali and Mubarak.

For the time being, a number of views present different analyses of the regime's reaction and possible future developments. On the one hand, according to some, al-Assad's bet may prove successful in light of his personal popularity and the political capital he has been able to muster thanks to his foreign policy stance, which enjoys widespread consensus and appeal in the country and in many parts of the region. On the other hand, other views tend to stress the extent to which al-Assad's political capital today depends less on his past foreign policy successes than on his ability to live up to popular expectations.

The regime seems so far to be pursuing a divide-and-rule strategy against dissent, resorting to specific carrots and sticks to appease and repress the country's complex collection of tribal, ethnic and religious identities and interests. A number of these measures meet some of the protesters' demands, including the dismissal of the cabinet and the formation of a new government at the beginning of April under the leadership of the former agriculture minister

Adel Safar; the granting of Syrian citizenship to some 200,000 stateless Kurds in the north-eastern region; the repeal of the previous ban against the employment of women wearing the *niqab* to appease religious, mostly Sunni, conservatives; and the largely unexpected move to abolish the state of emergency that had been in place since 1963. This high-profile measure is, according to some analysts, a direct response to the intensification of protests since the beginning of April 2011, and thus shows the regime's inability to respond adequately to the current wave of discontent and turmoil. Others fear that this move is just symbolic in that no major changes will take place in reality and the powerful security apparatuses (*mukhabarat*) will continue to arrest and indiscriminately persecute any person suspected of undermining the security of the state.

As much as this may simply be a strategy of buying time, the most important challenge for al-Assad's regime is to bring violence to an end if it wants to maintain enough popular support to ensure a way out of the current crisis. All in all, it is highly unlikely that al-Assad will open Syria up to broad freedoms, to independent political parties or to any other moves that could jeopardise his regime's control of the country, unless he is truly pressed by a domestic revolution. However, such a revolution may not occur in the short term, because Syrians do not seem to be ready yet to unite against al-Assad's regime. Most Syrians continue to believe that he is a reformist or at least a moderniser who is willing to see his country develop economically and peacefully. There is no doubt that the president is able to strike a chord when he speaks to the Syrian people. Al-Assad's televised address on 30 March 2011 is a good illustration of this: he insisted that the point was not whether to reform but about how to proceed, making sure that any change is in line with the people's beliefs.

Other factors that need to be taken into account when assessing the strength of the current mobilisation against the regime include the number of pro-regime marches and manifestations throughout the country, particularly in Damascus, despite doubts about their being manufactured by the regime itself, testifying to the extent to which the large majority of the population is still in favour of al-Assad, or is at least willing to give him the benefit of the doubt whenever he speaks of reforms. Furthermore, the fact that cities where significant demonstrations have been held, e.g., Dera'a, Latakia and Homs, are not mainly Sunni strongholds but rather multi-religious areas where the regime has maintained control through mobilising people in the hierarchy of the Ba'ath party, or as military and state officials, shows that the alliance between the regime and the wealthy Sunni merchants (who have benefited from the establishment of monopolies and the benefits that accrue to them by virtue of their ties to the regime), is still in place and plays a significant role in buttressing the regime in this moment of turmoil.

In conclusion, at the time of writing the regime does not appear to be on the brink of collapse but still holds its firm grip on power. This is also because the military and security apparatuses, and the high-ranking state officials have remained loyal to al-Assad, and have indeed coalesced around the regime. This is another factor that differentiates the current phase of the Syrian uprising from what happened in Tunisia and Egypt, where the role played by the army in advancing the protesters' claims against the regime was crucial in tipping the situation in their favour.

3. Lebanon: from civil strife to stalemate and back

Underlying challenges to Lebanon's sustainability: sectarianism and regional dynamics

As far as Lebanon is concerned, the question of the sustainability of the state appears crucial in light of the country's almost chronic crises. Despite the very short-term nature of these crises, we adopt a long-term perspective here, pinpointing the structural factors that represent the most decisive underlying challenges to the sustainability of the state. These factors include the

sectarian nature of Lebanese state and society, the role of external actors, in particular Israel and Syria, and the impact of these actors and factors on the legitimacy and prerogatives of the state.

When probed on the question of sustainability in Lebanon, most respondents' immediate question was: "sustainability for whom?" Their answer was clear. Sustainability is first of all understood as something that has to be achieved within the circle of the sectarian group or of the family, possibly to the detriment of the wellbeing of others. The sectarian character of the state has deep roots in Lebanon. Since the birth of the Lebanese state in 1943, the risk of disintegration and conflict has been built into the political system, which can be described as a rigid consociational parliamentary republic (Höckel, 2007, p. 2). However, while during the civil war (1975-1990) the main sectarian divide ran between Muslims and Christians, today the principal fault-line splits the Muslim camp in two: Sunnis and Shi'ites, who confront one another in the Lebanese political space, epitomised by the conflict over the Special Tribunal for Lebanon. This unprecedented antagonism is partly the result of the long history of a disenfranchised Shi'ite majority, which has now mobilised against the Sunni minority for a fairer distribution of political and economic power. Other factors have exacerbated this conflict. On the one hand, the consociational structures of power have an ingrained sectarian logic, evident not only within parliament, where representation is distributed along sectarian lines and parties have an exclusive sectarian connotation, but also within civil society. On the other hand, demographic dynamics have further isolated the Christians, who now make up around 20-25% of the total population, revealing the fracture between the two main Muslim groups. This situation has led to a heightened politicisation, or 'sectarianisation', of a number of issues that could potentially have united the Lebanese people, as will be explored in the next section.¹⁹

External factors, such as the US-led invasion of Iraq, the strengthened role of Shi'ites there, and the bolder role played by Iran in the region have also contributed to reinforcing sectarian fault-lines in Lebanon. This is why it is not possible to envisage a gradual de-sectarianisation of the country without a thorough overhaul of the Lebanese political and constitutional system, which in turn requires a reduction of sectarian tensions not only in Lebanon but across the region. The growing sectarianism evident in the Gulf, e.g., in Yemen and Bahrain, shows the extent to which regional dynamics are likely to further exacerbate existing tensions in Lebanon. Unsurprisingly therefore, the proposal put forward by Nabih Berri, leader of the Shi'ite party Amal and speaker of the Parliament, to set up a special committee for the elimination of sectarianism in Lebanon – as foreseen by the Ta'if Agreement of 1989 – has been rejected by the leaders of the other confessions.²⁰

Regional factors, however, do not only impinge upon Lebanon's factional dynamics. They affect the stability and sustainability of the Lebanese state in a variety of ways. In many ways, in fact, Lebanon's (in)stability is generally regarded as the litmus test for the much broader dynamics unfolding in the region. The intense tug of war among competing Lebanese forces is tied to "the Arab-Israeli conflict, an aggressive US policy symbolised by the occupation of Iraq, Iran's growing assertiveness, mounting sectarian tensions, Syria's support for a variety of militant groups and a deepening intra-Arab Cold War" (International Crisis Group, 2010, p. 1).

The extent to which the Arab-Israeli conflict influences the sustainability of the Lebanese state has been underscored by many (International Crisis Group 2010 and author's interview with a Lebanese researcher, 17 December 2010). According to some, a sustainable Lebanon on the path towards political, social and economic development is unthinkable without a prior resolution of the conflict.²¹ Each and every reform that has been tabled – decentralisation, civil

¹⁹ Author's interview with a professor from the American University in Beirut, 16 December 2010.

²⁰ Author's interview with a Lebanese sociologist, 15 December 2010.

²¹ Author's interview with a Lebanese researcher, 17 December 2010.

marriage, a new electoral law – cannot be agreed upon and implemented against the backdrop of perpetual deadlock caused by the Arab-Israeli conflict. The conflict affects Lebanon in several ways, firstly the presence of Palestinian refugees, who constitute around 10% of the Lebanese population, a presence that has historically sparked violence among rival factions and which has legitimised immobilism in Lebanon's overall political reform. The second and increasingly prominent factor is the strengthening of Hezbollah which, particularly after the war with Israel in the summer of 2006, has taken on the mantle of the Lebanese resistance. The wave of protests engulfing the Arab world has pushed the Arab-Israeli conflict on to the back burner. However, it may flare up even stronger and there is no escaping the fact that until it is resolved, the region will see no stability or peace.

As equally important as the Arab-Israeli conflict is the deep connection that exists between Lebanon and Syria. As mentioned above, Syria exercised its direct political and military control over Lebanon until March 2005. Although Syria was forced out of Lebanon following Hariri's assassination, it still plays a prominent role in the country due to its geographic proximity and economic activities, allowing Syria to close Lebanon's access abroad at will. Since its withdrawal, Syria has continued to exercise influence and leverage over Lebanon, avoiding, at the very least, that Lebanon "falls into the hands of other countries", i.e., Israel and Iran alike.²² This is evident in Damascus' sponsoring of Hezbollah. This does not mean that Syrian support for Hezbollah is limitless and unconditional. For example, Syria regarded Hezbollah's brief takeover of Beirut in May 2008 as stepping beyond red lines. Thus, Syria attempted to strike a balance on the precarious Lebanese political scene through its rapprochement with the newly appointed Hariri government, which emerged as a result of the Saudi-brokered Doha Accord in 2008. Since then, Damascus has continued to act as a mediator and facilitator in the tense Lebanese situation. This does not mean that Syria has abandoned its allies in Lebanon. On the contrary, it continues to influence Lebanese politics through its proxy Hezbollah. This situation has thus given rise to a quintessentially Lebanese paradox. Syrian involvement has continued to feed the underlying dynamics of Lebanese unsustainability. Yet its very involvement has been of the essence in brokering a truce, giving Lebanon the semblance of stability between May 2008 and January 2011.

This semblance of stability came to a dramatic end in January 2011. The underlying cause of this, which had been simmering beneath the surface since 2005, is the Special Tribunal for Lebanon (STL) established through the United Nations Resolution 1595 in April 2005 to investigate the murder of former Lebanese premier Hariri. Since the outset, the investigation has been highly politicised by its international sponsors (International Crisis Group, 2010, p. 4). Initially, the prime target and presumed culprit was Syria. The accusations were later repealed, partly contributing to Syria's rehabilitation on the international scene. The focus of all attention then became Hezbollah. As seen above, Syria has continued to defend its ally in Lebanon, Hezbollah, against claims that some of its members could be implicated in the murder. The prospect of imminent indictments targeting Hezbollah has however raised the political stakes in Lebanon to new heights. On the one hand, the credibility of Hezbollah as a resistance movement that has traditionally portrayed itself as a moral political force free from corruption is at stake.²³ As such, Hezbollah considers its disassociation from and the discrediting of the Tribunal of key importance. On the other hand, the control of the Lebanese state is the object of constant inter-sectarian negotiation and its functioning is premised upon continuous compromise. The Tribunal affair, having triggered the withdrawal of Hezbollah ministers from the government on 12 January 2011, has thus led to the paralysis of the state and brought back the spectre of civil strife in the country. The 11 Hezbollah ministers withdrew from the cabinet protesting at what

²² Author's interview with an historian and journalist working in Lebanon, 15 December 2010.

²³ Author's interview with an historian and journalist working in Lebanon, 15 December 2010.

they deemed to be continuous US pressures for Hezbollah's indictment. The fact that the resignations coincided with Hariri's visit to Washington was read as a further sign of protest against external interference. However, Hezbollah's withdrawal from the government represented but the final act of a drama that had been ongoing for some time and that had already been played out four years earlier.

Despite heightened fears that the situation could slip back into civil war, to date this does not appear to be the most plausible scenario. It should be stressed that Lebanon's development over the last decade has been characterised by intermittent moments of acute tension, broken by spells of unstable yet relative calm. The fall of Hariri's government no doubt represents one such moment. Yet we are far from a point of no return. Now all the forces have entered into hectic negotiations, trying to reach a compromise and re-establish a new equilibrium. This is where external influences over Lebanon become more prominent. Syria is playing its cards by trying to defend Hezbollah, and its strategy is broadly shared by Damascus' former opponent, Saudi Arabia. Meanwhile, all political actors in Lebanon have activated their alliances in the region and beyond for fear of being left out in the cold. The negotiations have lasted for five months and have entailed a protracted paralysis of the Lebanese state and an ongoing distraction from the country's urgent socio-economic problems.

The costs of paralysis

Beyond the constant threat of violence, Lebanon's chronic instability, of which the 2011 government collapse is the latest manifestation, is the cause and consequence of the profound weakness of the Lebanese state. The absence of a state budget between 1993 and 2009, the lack of regular cabinet meetings,²⁴ and the fact that the parliament can be closed at will by its speaker Nabih Berri, who reportedly prefers to discuss all important issues in Damascus,²⁵ are all indicative of the profound weakness and poor functioning of the fractured Lebanese state.²⁶

Going back to the boom of the 1990s after the decades-long civil war, state institutions were weakened and marginalised as militia leaders took control of all municipal reconstruction projects. Beirut's Central District was the stage of a multi-billion reconstruction and real estate development projects envisioned and implemented by former Prime Minister Rafiq Hariri. His vision was one in which Beirut's economic prosperity would trickle-down to the peripheral regions of the country, thus bringing long-lasting development and stability to the fragmented Lebanese state (Leenders, 2003, p. 321). The reality was, however, that a semi-private actor – Hariri and his Solidere project – was able to monopolise the reconstruction of the country's capital, promoting a particularistic and elitist approach to the country's development (Höckel, 2007, p. 8). Hariri's project failed to bring about the expected positive results due to, among other things, the excessive focus on Beirut and the progressive neglect of the under-resourced but densely populated southern suburbs of the capital and rural areas, especially in the south of the country. These areas, in turn, increasingly became the fiefdom of para-state actors, such as Hezbollah, which stepped in where the state did not. According to Höckel,

[T]hese characteristics of the reconstruction process instigated a double effect of disintegration: vertical disintegration led to a widening gap between rich and poor, spatially mirrored by the contrasting developments of Beirut's Central District and most parts of the city's hinterland. Horizontal disintegration resulting from distribution of resources along sectarian lines reinforced clientelist networks and hampered national reconciliations and national development strategies" (Ibid.).

²⁴ This paralysis has led to the stockpiling of around 310 agenda items in the cabinet session scheduled for December 15, 2010, the last one of the Hariri government.

²⁵ Author's interview with an historian and journalist working in Lebanon, 15 December 2010.

²⁶ Author's interview with an official in the Lebanese Ministry of Finance, 14 December 2010.

Another cause and symptom of the state's underlying weakness is corruption. As argued by Charles Adwan (2004), the elements of reconstruction – large public works projects, inflows of international capital and privatisation – have provided the conditions for systematic, organised and almost legitimised corruption. Although difficult to quantify, estimates about the magnitude of corruption in contracts during the reconstruction period vary between 20% and 70% of the total cost (Adwan, 2004 and Gebara, 2007). This rampant and widespread corruption is at the same time the result and the symptom of the difficult conditions characterising the Lebanese state: on the one hand, weak state institutions that are incapable of fulfilling their functions; on the other, a highly fragmented civil and political society that facilitates the mismanagement of public resources.

Turning to the broader manifestations of weakness of the Lebanese state, a key cause and symptom is the state's inability to hold a monopoly over the use of force. Hezbollah, sometimes defined as a para-state inside Lebanon, has its own well-armed and equipped militia, also thanks to external funding and support. By contrast, the Lebanese army would not be able, according to many, to effectively defend the country against external aggression. Beyond Hezbollah's militia, two further manifestations of the state's limited control over Lebanon's internal security are the Palestinian refugee camps, which to all extents and purposes eschew the control of the Lebanese state, and the emergence of al-Qaeda-affiliated Sunni groups in the northern part of the country, around Tripoli (Tarabulus), which could become a new factor of instability in the country.²⁷ Another cause and symptom of Lebanon's fragility is the presence and persistence in power of individuals implicated in the civil war. These individuals have built around themselves clientelist networks based on sectarian affiliations and family connections, which have spilled over into the make-up of the state. This, in turn, has hampered the very definition of the state and the national interest has eroded public trust in state institutions, allowing the spread of corruption.

The paralysis of the Lebanese state is lamented at all levels of society and reverberates negatively on a number of socio-economic problems afflicting the country. These problems are very often downplayed by some international agencies (International Monetary Fund, 2010) that stress the sound macroeconomic situation in Lebanon, the existence of a strong and regulated banking sector that has contained the effects of the global financial crisis and, more importantly, the positive performance of the Lebanese private sector in domains ranging from education and health to construction and finance.²⁸ However, the undeniable vitality of the Lebanese private sector is also the result of the vacuum left by a non-existent and non-performing public sector in providing adequate levels of investment in education and health. The prominent role of the private sector, sometimes with strong sectarian connotations, in the provision of public services – electricity,²⁹ water, public transportation,³⁰ environmental laws against aggressive policies that

²⁷ According to some commentators, these groups have emerged in response to the frustration and disaffection of the predominantly Sunni population living in regions that did not benefit from the favours distributed by Sa'ad Hariri's government. Author's interview with a Lebanese journalist of Al-Hayat, 16 December 2010.

²⁸ The IMF report argues that the country has shown an exceptional resilience in the face of the global financial crisis. Led by a dynamic private sector, Lebanon grew by an estimated 9% in 2009 and is projected to grow by 8% in 2010 (International Monetary Fund, 2010, pp. 5-7). Meanwhile, Lebanon's public debt – at about 148% of GDP or USD 55 billion in 2010 – still ranks among the highest in the world and drains about half the annual budget revenues in interest payments, leaving little room for productive public spending and welfare provision (International Monetary Fund, 2010, pp. 5-7 and author's interview with a Lebanese sociologist, 15 December 2010).

²⁹ In Beirut there are electricity cuts for around 3 hours per day, while in the countryside these cuts can last for 12 hours per day. Author's interview with a Lebanese sociologist, 15 December 2010.

are destroying the Lebanese coast – has helped consolidate divisions and hampered the creation of a sense of national belonging. All this is accompanied by mounting imbalances not only between regions but also within areas of Beirut, according to the small- or large-scale geographic distribution of sectarian groups. This situation of poor public services is compounded by a rising rate of unemployment, affecting Lebanese women in particular, who represent only 22% of the working population, and young people, who are generally highly educated and, if means allow,³¹ opt to leave the country. The result is strong anxiety and insecurity, breeding a situation of cold war among sectarian groups. It could be argued that socio-economic problems cut across sectarian lines, unlike hard security issues. However, they tend to be portrayed as sectarian issues, thus pitting one group against the other in the competition for public resources.

In a context of enduring fragility, the struggle for the Lebanese state continues. It will be important to see how another external actor – the European Union (EU) – acts upon its declaration of support for Lebanon’s stability. The EU has been following recent political developments in Lebanon more closely since Hariri’s murder. In the words of an EU official, “the big challenge for this country is to ensure that its plurality is more a chance than a problem”.³² A positive aspect of the EU action in Lebanon is the fact that it is perceived as neutral with regard to different political and social groups. For example, the EU seems to talk to Hezbollah as much as it talks to other groups since the former is not on its list of terrorist organisations. Despite claims that its main objective is to build the Lebanese state and its institutions,³³ others regret the fact that the EU works primarily towards the implementation of technical projects – in the social, infrastructure and environment sectors – thus not addressing more urgent political problems in Lebanon. This de-politicisation of EU development strategies helps to sustain the status quo without tackling the root causes of the lack of sustainable development.

4. Possible scenarios

Turning to future scenarios, Lebanon’s and Syria’s trajectories, while marked by stark differences in the short versus long-term nature of the challenges faced by the two countries respectively, converge on a path of long-term unsustainability, but for different reasons.

In the Lebanese case, envisaging future scenarios is particularly arduous. As underlined by an EU official, the short-term tends to prevail in Lebanon.³⁴ External actors, including Syria, despite claims of persistent interference aimed at upsetting the precarious domestic balance, are keenly interested in maintaining their influence through their proxies and in restoring normal institutional life. Notwithstanding this, against the backdrop of mounting domestic crisis and increased volatility, the fragile stability of the state is at risk. Prospects of further civil strife should not be discounted, although Lebanon’s history teaches us that the Lebanese people are creative enough to develop ad-hoc solutions swiftly. On another note, people are used to dealing

³⁰ The situation of public transport is unsustainable due to the lack of investment. At the same time, there are 1.8 million cars for a population of 3,5 million inhabitants. Author’s interview with a professor from the American University in Beirut, 16 December 2010.

³¹ As is the case for many young Lebanese Christians.

³² Author’s interview with an EU delegation official in Beirut, 17 December 2010.

³³ It should be stressed that one of the problems in Lebanon is that some civil society organisations and foundations have bigger budgets than some ministries. Author’s interview with an EU Delegation official in Beirut, 17 December 2010.

³⁴ Author’s interview with an EU delegation official in Beirut, 17 December 2010.

with deficiencies in the administration of the state and finding ways round them.³⁵ People also know that they will have to coexist, albeit on precarious terms, because there is no alternative to the plurality of Lebanese society and no immediate way out of the confessional political system that was established with the National Pact.

Since it is not possible to envisage a solution to the Israeli-Palestinian conflict in the coming years, its repercussions for Lebanon will at best remain at the same level of today or will even be magnified by increasing political tensions in the Middle East and beyond. The 2011 events in Egypt, while being welcomed as a new phase of development in the region, may also lead to increased pressure on the already fragile Lebanese state, due to the heightened fears of conservative regimes and Israel. Similarly, we cannot disregard the regional and country-specific dynamics at play in Iran, Iraq and the Gulf in terms of sectarian polarisation between Sunnis and Shi'ites and the implications these may have for Lebanon.

Alongside this, what appears to be of utmost importance are the conditions that determine the performance of the Lebanese state. The minimum level of 'stateness' described in this paper is set neither to dramatically increase nor to collapse. Despite claims that Lebanon is a failed state due to its poor performance, the tenuousness of government legitimacy and the emergence and growth of para-state structures,³⁶ it is more accurate to depict the scenario of a deteriorating status quo, stemming from present conditions of civil and political crisis and latent (and occasionally active) violence. The state in Lebanon is in the midst of yet another phase of transition, whose outcome remains unclear. Against this backdrop, the EU remains at best an observer despite its strong declarations regarding Lebanon's stability and peace. This was apparent in the latest round of the Lebanese crisis, when EU High Representative Catherine Ashton merely "reiterate[d] support for the [fallen] Government of National Unity [and called for] dialogue and stability."³⁷

The political situation in Lebanon is far from being sustainable, and this has already produced visible effects in terms of recurrent instability. The main challenge for Lebanon concerns how to maintain the country open, politically and economically, while shielding it from the destabilising effects of this openness to external influences. The fact that Lebanon is a democracy, fulfilling at least constitutionally the desirable criteria of accountability and participation, should be regarded as the point of departure, and not of arrival, from which to envisage yet another, more sustainable compromise.

Turning again to Syria, challenges to the sustainability and long-term stability of the state have evolved dramatically since the beginning of 2011. While until very recently it was possible to differentiate between elements of dynamic stability in the economic sector – centred on a consumer-oriented model of development and incentives to attract FDI – and stagnating stability in the political realm, a number of short-term challenges have come to the fore more recently. Attempts to capitalise on the positive economic growth of the last five years and on an unchanged approach to Syrian foreign policy to ensure political stability have failed under the pressure of growing regional turmoil.

Although the regime still has some room for manoeuvre, provided that al-Assad does not lose his popularity among the people, the long-term perspective for Syria appears to be increasingly unsustainable. Widespread violence, the seeming absence of a clear plan on the part of the

³⁵ Author's interview with a professor from the American University in Beirut, 16 December 2010.

³⁶ See the Failed States Index 2010 (http://www.foreignpolicy.com/articles/2010/06/21/2010_failed_states_index_interactive_map_and_rankings).

³⁷ Statement by EU HR Catherine Ashton on the developments in Lebanon, 13 January 2011 (http://ec.europa.eu/delegations/lebanon/press_corner/all_news/news/2011/20110113_en.htm) and (http://ec.europa.eu/delegations/lebanon/press_corner/all_news/news/2011/20110113_en.htm).

regime to ferry the country across the current crisis and the highly unstable regional situation do not bode well for the future of the country. The Syrian regime can only try to play its cards wisely in the attempt to avoid further destabilisation and final collapse. However, what seems certain is that the future prospects for the country's economic as well as political development are dim, and the risk of widespread conflict, most dangerously with sectarian overtones, cannot be discounted. The apparently stagnating stability of the political scene in Syria has now turned to an outbreak of discontent, not primarily directed at the president, but which is likely to precipitate further instability, also economically. The five-year economic plan that was rolled out in 2010 already looks unrealistic. Its centrepiece is the gamble that Syria can attract 10 billion dollars of foreign investment a year, a very unrealistic target in light of mounting unrest and foreign capital fleeing out of the country. Recent reports claim that the economic situation continues to deteriorate in the country and that GDP growth is expected to be well in the red in 2011.

A fundamental aspect of the current phase of the Syrian uprising is the low level of involvement on the part of external actors. Apart from Turkey's firm declarations in favour of the Syrian regime's engagement with the demands of the people, both the EU and the United States have remained silent until recently, waiting for al-Assad's next move. On more than one occasion the US administration has failed to openly condemn the Syrian regime's repression of the revolts. At the outbreak of the unrest and for some time, the international community seemed ready to believe the tentative reform promises put forth by the regime. More recently, the United States and the EU have become more vocal in condemning the violence perpetuated in Syria by al-Assad's regime. In spite of this, no concrete action has ensued, besides the sanctions that have been imposed by the US and the EU on President al-Assad and a number of regime members. Clearly, the threat of conflict or further instability in Syria is sending negative waves throughout the region, with both Israel and Iran watching the unfolding of the events in the country very closely. A weakened and unstable Syria could represent a threat for both countries' interests in status quo and could aggravate present regional tensions instead of solving them.

In conclusion, it is highly likely that the Syrian uprising would not have materialised had the Tunisian and the Egyptian revolts not taken place in the way they did. These events have in fact made possible the psychological empowerment of a (still limited) number of people against the authoritarian Syrian regime. The evolution of the current wave of unrest gripping Syria will largely depend on the outcome of the transitions in Tunisia and Egypt. The Syrian population is watching what is taking place in the other Middle Eastern countries that have gone through popular protests and have succeeded in toppling the authoritarian regimes there. Much of the future developments in Syria will follow from the ability of Tunisia and Egypt (or the lack thereof) to get on the track of true democratisation and to avoid further instability. Against this backdrop, the role of external actors in facilitating or hindering the post-Arab Spring transitions, including the willingness to financially support them, is also being watched closely by the Syrian opposition movements and the population at large.

The main lesson to be drawn from events in Syria is that human agency matters and that focusing only on the structural and institutional constraints does not allow us to gain the full picture or understand the causes and implications of the transformation taking place in the country. The reluctance of the average Syrian to engage in activities that could lead to instability and chaos, and the personal popularity and political capital enjoyed by al-Assad, albeit increasingly eroded, may today not be enough to prevent one incident from snowballing into a full-scale revolution. A long list of region-specific and national grievances – the rising cost of living, rampant corruption, unemployment, failing state services, four years of drought and a legacy of abuse by security services – is likely to be a time bomb for the Syrian regime, unless these problems are properly and swiftly addressed. Although it is too early to tell in which direction the country will move, a number of tests will be crucial for the regime's survival in the next few months. If it manages to survive the current turmoil, the next test will come with the

parliamentary elections, initially scheduled for May 2011 and then postponed due to the situation of unrest. There are also demands to change Article 8 of the Constitution, which states that the Ba'ath Party is the leading party in society and the state. More of this newborn revolution is to come.

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