The Fall of Assad: A Turning Point for Development

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Bashar al-Assad's downfall could be the catalyst for economic, political and social progress in the Middle East. The developing, albeit precarious, events in Syria could be what the country and the region needs to bridge the gap between underdevelopment and development. The Middle East suffers from the broader disparity that exists between the Global South and the Global North, with the former still disadvantaged in regard to major political and economic developments. This discrepancy raises the never-ending dilemma of why some nations have managed to develop while others have been left behind. Daron Acemoglu, Simon Johnson and James Robinson,

the scholars behind the influential book, Why Nations Fail, have put forth an institutional framework that provides valuable insight into answering this important, yet difficult question. This article uses this lens to explore what Syria's evolving events mean for the development of the country and the Middle East.

Acemoglu, Johnson and Robinson, winners of the Nobel Memorial Prize in Economic Sciences in October 2024, offer an invaluable approach that depicts political institutions as the determining feature of a country's prosperity. They argue inclusive institutions create space for the participation of the majority, facilitating economic institutions that foster economic growth. The Global North, for example, benefits from democratic political systems that encourage economic growth for the people. In contrast, extractive institutions exclude the political participation of the majority of citizens, allowing economic institutions to fall into the hands of the few. The political organisation of a country reflects the interests of a small circle of elites, which discourages economic development and overall prosperity for the wider population.

Among others, societies that suffer from the impact of these institutions can also be found in the Middle East, where extractive institutions have long been established. During the Ottoman Empire (OE), power was concentrated among political elites, who tightly controlled the economic institutions of the Empire and amassed significant wealth. Following the collapse of the OE, institutions controlled by the few persisted under imperial powers, who benefitted from extracting the region's wealth. Extractive institutions continue to permeate the region's political and economic landscape, with the majority of countries displaying low levels of participation in political institutions, and economic institutions dominated by elites. One glance at the ruling powers in the region reveals that many countries are run by families, notably the Gulf Monarchies and, until recently, Syria. Other countries in the region function on tight-knit circles of well-connected businessmen and family ties. From country to country, these circles of politically affiliated elites are firmly woven into the fabric of the economic institutions, where wealth is amassed at the expense of the wider population.

Although this bleak image depicts extractive institutions as having strong roots that seem immune to popular resistance, the Middle East has had moments where change seems attainable. Acemoglu, Robinson and Johnson suggest there are windows of opportunity they call critical junctures, in which the existing economic and political landscape is disrupted, allowing space for inclusive institutions to develop. In other words, major events that create a seismic shift in the region could generate societal institutions that foster a slow upwards climb towards the prosperity boasted by developed nations. An example of a critical juncture is the Arab uprisings that swept across the Middle East and North Africa in 2011. These protests dismantled

regimes in Tunisia and Egypt, generated minimal changes to some regimes, or threw others into full-scale civil wars.

Unfortunately, more than a decade later, it is clear these uprisings did not dislodge the strong foothold extractive institutions have over the region. Yet, the recent ousting of Bashar al-Assad and the developing events in Syria should spark a new discussion around the unsteady foundations of the country's once impenetrable institutions, and what this unprecedented moment means more generally for the Middle East. As Assad's stronghold on Damascus has collapsed, a chance for political transition has arisen, and how this window of opportunity will be utilised is crucial for Syria and the Middle East.

It is undetermined what plans the Islamist militant group Hay'at Tahrir al-Sham has for Syria but dismantling the Assad family's repressive and violent regime that monopolised the country's wealth for 54 years is a significant achievement. One must not forget the group's previous affiliation with al-Qaeda and its classification as a terrorist group by the United Nations. Nevertheless, Hay'at Tahrir al-Sham has developed from its origins as Jabhat al-Nusra and has a chance to reshape Syria's institutions with the country's development in mind. Dynamics in the region will also certainly change, although at the moment it is too soon to predict in what way. What we do know is that Assad's downfall marks a shift in the configuration of regional powers, from Iran to Turkey. Iran's axis of resistance has slowly been eroding since the events of October 7, the weakening of Hezbollah and, now, the ousting of Assad. The latter has been particularly welcomed by Ankara, which has been waiting for and contributing to a weakening of the axis of resistance.

Much remains uncertain, but what is evident is that Syria's developing situation has sent ripples across the Middle East, and it is important for the region's overall development how this turmoil will be dealt with. Can the extractive institutions preventing the necessary progress be uprooted and replaced with inclusive institutions catered towards the population's needs? Assad's downfall may be the catalyst for this shift. This potential critical juncture precedes inevitable change, which must be implemented at an institutional level for the Middle East to develop in a positive direction politically, economically and socially.