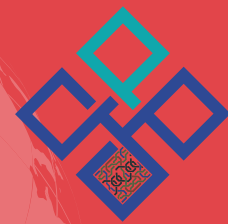


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A WIN-WIN GAME FOR THE MUHAJIROON (EMIGRANTS) AND ANSAR (HELPERS)¹ : THE ECONOMIC POTENTIAL OF SYRIAN BUSINESS MIGRANTS IN TURKEY²

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The prolonged state of the Syrian war since the beginning of 2011 led to the huge outflow of Syrians to its neighboring countries. In the case of Turkey, the number of the Syrian refugees is believed to be more than two million. Most of the studies or reports show the negative impacts the Syrians have initiated in Turkey, such as the economic and social burdens caused by the migrants to the local society; however, these studies or reports did not differentiate among the classes of Syrian migrants, and neglect the Syrian cheap labor forces and the millions of Syrian people's living expenditures in Turkey, which to some extent, has perked up the local economy. This paper expects to focus on the economic importance of the Syrian business migrants in Turkey. For instance, thousands of new companies, factories, and work-

shops have been established by the Syrian business people in Turkey and billions of US Dollars have been brought from Syria to Turkey since the 2011 war (Amos 2013, Mousa Al Omar 2013). The positive economic benefits which can be produced by the Syrian businessmen to the local society is worth noting, since there is a high possibility for creating an economic win-win game for both the Turkish government and Syrian migrants, if the Turkish government and Syrian businessmen cooperate with each other.

The oversimplification of the Syrian migration to Turkey as 'refugees' neglects the economic strength of the Syrian business migrants who used to be millionaires and possess business know-how in their country. This paper attempts to provide a new picture of the Syrian migrants

During this time, although its center has been hollowed, al Qaeda became more decentralized and the periphery groups started to take the stage and what can be named as little/smaller al Qaedas started to operate.

in Turkey through the examination of the Syrian economic elites in Turkey, and the possibilities of the transformation of the Syrian capital drain to a Turkish capital gain will be discussed. First, the paper will delineate the emigration of the Syrian businessmen to Turkey after the 2011 revolution. Second, the strength of the economic abilities of the Syrian business migrants in Turkey will be demonstrated. Finally, the difficulties of the Syrian businessmen for operating their businesses in Turkey will be discussed.

The data in the paper is based on field research that was conducted between 12th May and 10th June 2014, and 24th November and 31th March 2015, in Istanbul, Gaziantep, and Mersin. In-depth and open-ended dialogue interviews were conducted with 132 Syrian business people, who moved to Turkey after and before the outbreak of the Syria civil war. In addition, the researcher has visited the Chamber of Commerce and Chamber of Industry in Istanbul, Gaziantep, and Mersin.

The emigration of Syrian businessmen to Turkey

The pre-war relations between the state and business community in Syria has been considered as symbiotic, where the regime and the business community depend on each other for their particular benefits (Perthes 1992, Gray 2000). However, after the war erupted, due to the security, political, and economic realities, thousands of Syrian businessmen decided to leave their former patron (the regime or the regime's cronies) and move to the neighboring countries. "Our family received a threat from some people to kidnap my son, and we also heard many cases that business people or their relatives have

been kidnapped, I cannot risk my children's life for this," said a Syrian businessman who used to work in the construction sector. In addition, some of the business people participated in the protest at the beginning of the revolution, providing foods or basic needs for the people who were living in the rebel-controlled areas, or established humanitarian organizations which led to the results of regime's arrestment. "During the revolution, we tried to help the people who are in the hospital, help them to stay away from the regime's harassments or tortures. But at the end, the regime was annoyed by our activities, and sent the intelligence or polices which gave us a hard time. Some of my friends became wanted or detained," said a businessman who used to own a series of dessert shops in Aleppo. Finally, the economic reality left them no choice but to find a new stable place to continue their work. "Everything became more expensive inside Syria, the raw material, the house rent. We cannot make any profits in this kind of situation, we need to leave!" stated a Damascene industrialist. Thus, the Syrian business people decided to leave their country to a safer place.

The reasons Syrian business people have chosen Turkey as a settling place can be attributed to the geographical closeness between Syria and Turkey and the ease of entrance, the ease of business within Turkey and social legislation, and the familiarity of the Syrian businessmen with the Turkish environment. In terms of distance, Gaziantep and Aleppo are less than one hundred kilometers apart, and Mersin and Latakia are less than four hundred kilometers apart. The Latakia and Aleppo businessmen can easily travel to these two cities by car in one and four hours respectively,

since the Turkish government applies an 'open-door' policy towards the Syrian migrants. Furthermore, the simplicity of Turkish business and social legislation applicable to Syrian merchants is widely known among Syrian business people. For instance, Turkey's simple regulations for registering a company, the transparent commercial instructions to follow, and the convenience of applying for residence permits are all incentives for attracting Syrian businessmen to start their businesses in Turkey. Finally, even before the war, the volume of trade between Turkey and Syria had increased after the endorsement of the 2007 free trade agreement between the two sides. The 2009 Visa Exemption Agreement also allows Syrians to visit Turkey without visa (Turkish Ministry of Foreign Affairs 2011). Many Syrian businessmen already had had business experiences or had visited Turkish cities such as Istanbul, Bursa, Mersin, and Gaziantep before the war. The former personal experiences of the Syrian business people in Turkey is another crucial element which drew them there, since they are not unfamiliar with the Turkish environment.

The establishment of the Syrian businesses in Turkey

Syrian businessmen have invested in almost all kinds of sectors now in

Turkey, from a restaurant, to tissue or textile factories, and even construction and real estate companies which the price of the property is \$5 million. The news indicates that at the end of 2013, the Syrian capital has reached \$6.5 billion (Mousa Al Omar 2013), and Syrian-owned companies were on the top list of all the foreign companies in Turkey in January 2014 (Al-hamidi 2014). This number is believed to be higher now, since many of the Syrian businessmen brought cash with them to Turkey, and this amount of money cannot be calculated in the official data. In addition, the economic strength of Syrian businessmen in Turkey can be understood from the data of the Chamber of Commerce and Chamber of Industry in Istanbul, Mersin, and Gaziantep. Table 1 shows the total number and the established year of Syrian companies in Istanbul, Mersin, and Gaziantep. There were 1858 Syrian companies established between the 1970s and the end of 2014 in these three cities, and 1608 of them were founded after the 2011 Syrian civil war. In addition, the number of Syrian companies in Turkey has increased nearly three times higher annually after the war. Furthermore, the staff from the Chamber of Istanbul stated that 31 out of the 1218 Syrian companies in Istanbul hold capital of at least 1 million Turkish lira (2015, pers.comm., 03 March).

The Arab Spring forced the organization to change its tactics since it did not produce the desired results which in a way prevented the jihadists movement to further on as what the Arab Spring focused on was more freedom than more authority. Consequently, it could not improve itself in the region and had to become less active, yet there was one exception, which was the case of Syria.

However, it would not be totally wrong to say that the new days of Al Qaeda are not passing as active as the old days of its glamour since every group is also operating on its own even though the orders are coming from Al Zawahiri.

Table 1³ Number of the Syrian companies in Istanbul, Mersin, and Gaziantep

| | Istanbul | Mersin | Gaziantep | Total |
|----------|------------------|--------|-----------|-------|
| 2015 | 138 ⁴ | x | x | 138+ |
| Total | 1080 | 357 | 283 | 1858 |
| 2014 | 673 | 209 | 218 | 1100 |
| 2013 | 213 | 92 | 39 | 344 |
| 2012 | 84 | 23 | 6 | 113 |
| 2011 | 35 | 8 | 8 | 51 |
| Subtotal | 1005 | 332 | 271 | 1608 |
| 2010 | 12 | 4 | 3 | 19 |
| 2009 | 8 | 2 | 1 | 11 |
| 2008 | 2 | 2 | 1 | 5 |
| 2007 | 11 | x | 2 | 13 |
| 2006 | 3 | x | x | 3 |
| 2005 | 8 | 1 | 1 | 10 |
| 2004 | 1 | 1 | x | 2 |
| 2003 | 3 | x | x | 3 |
| 2002 | 5 | 1 | x | 6 |
| 2001 | 2 | 2 | x | 4 |
| 2000 | 2 | x | x | 2 |
| Pre-2000 | 18 | 12 | 4 | 34 |
| Subtotal | 75 | 25 | 12 | 112 |

Although the number from Table 1 is undoubtedly a reference to understanding the Syrian economic abilities in Turkey, many companies which are registered have been considered as a mean for the Syrian business people to purchase the real estate in Turkey. “Many rich Syrian businessmen do not want to work but wait for return, and they open a company to buy a house for themselves to stay in Turkey,” said a young Syrian man who funded a media website in Turkey. However, there is also a great number of Syrian business people who registered their companies as a Turkish companies.

“My grandmother is Turkish, and we still have the document which can trace back to our Turkish origin. So I applied the Turkish nationalities and registered the company by using my Turkish nationality,” said an owner of a Syrian fast food restaurant. Furthermore, finding a Turkish partner and registering in his name is another way to not reveal the Syrian identity. “I know that some Syrians will find a Turkish businessman and provide him the capital to operate the business. Because they do not want their Syrian identity to be exposed to the public sphere,” stated a Syrian teen-

ager whose father used to work in the field of textile in Aleppo. And finally, there are also middle or smaller scale Syrian companies which have been operating inside Turkey without registration.

The problems for the Syrian businessmen in Turkey

Although the economic strength of Syrian business migrants in Turkey has been demonstrated, this does not indicate that their businesses are developing without difficulties. The difficulties of the Syrian business people to start a business in Turkey are: the language barrier and lack of knowledge of the local market and regulations, the capital shortage for opening factories, the use of bank checks, the tension between the Turks and Syrians, and the uncertain mentality regarding to the Turkish policy. These existing realities impede and discourage the investment of the Syrian business migrants in Turkey. First, the complaint of the language can be found among almost all the Syrian business people except the ones who can speak Turkish. The language barrier has also made it difficult for the Syrian business migrants to understand the local market and regulations. "We do not know Turkish, and the Turks do not know other languages except Turkish. How can we do business?" said a Syrian businessmen in Gaziantep. Second, due to the unexpected war in Syria and the swift expatriation, the businessmen came out with limited amount of capital. Most of their assets, such as their former companies, factories, and personal properties, are either damaged or left behind in their country. "I left Syria with only ten percent of my money, the rest [is] still inside. Not to men-

tion the machines inside the factory," said an Aleppo industrialist. Third, the businessmen are used to do business by cash, and they are not accustomed to the receipt of bank check, not to mention the fear of receiving a dishonored check from a stranger in an alien land. "How can we be sure the check is transferable into cash? There is no regulations here for protecting the check receiver," stated a Syrian businessman who is working in the field of plastic raw material. Fourth, the social tension in Gaziantep also frightens the existence of the Syrian businessmen there. In the end of May 2014, many restaurants or companies' signs were written in the Arabic script on the street in Gaziantep. However, after the protest and conflict continued, at the end of 2015, many Syrian stores decided to change their Arabic letter into Turkish or English.⁵ "We need to drive like an angel on the street, because we have license plate which is in Arabic," stated an owner of a Syrian architectural company in Gaziantep. Finally, the inconstantly Turkish policy regarding the Syrians in Turkey also discourages the Syrian businessmen from investing in Turkey. "They said they will provide us nationality, but it is not clear. And the regulations about the residential permit is always changing, too. We do not know what to follow, and we are not certain whether the Turkish government will kick us out in the near future or not," complained a Syrian businessman, who has business partnerships in many Syrian food industries in Turkey.

A chance for creating a win-win game?

There is no sign for showing the end of the Syrian disaster in the foreseeable future, which means the number

Al Qaeda has started to work more on the winning hearts and minds strategy which, ironically, belonged to the US.

of the Syrian refugees in Turkey will definitely increase day by day. In addition to the Syrian newcomers, the high birth rate of the existing Syrians inside Turkey is another issue which increases the social population in the country. For instance, the Syrian businessman who has business partnerships in many Syrian food industries in Turkey told me that, "my friend's wife delivered their baby in a hospital in Gaziantep, and they were shocked that 8 out of 10 of the newborn babies were Syrians." However, if the government can pay attention to the great number of Syrian economic elite migrants and facilitate their settlement, this may transfer the immigrated capital to the local society and further alleviate the stresses on the Syrians inside Turkey. First, the issuance of a new investment policy regarding to the Syrian business migrants is an unavoidable subject for encouraging the Syrian business elites to settle and invest in Turkey. For instance, many Syrian industrialists have arrived in Turkey, however, due to the war in Syria, their factories have either been occupied or destroyed. The machines which equal to millions of US dollars are currently not under their control. Nevertheless, they still have their former overseas customers and the business know-how they possess since a long time ago. If the government can provide them with investment incentives in the beginning of their careers, these industrialists will definitely not hesitate and start their careers in Turkey, since Turkey has a large market and can play as a business center between the West and

the East. Some Syrian factories in Turkey have recruited around a hundred workers. If the government can encourage the Syrian industrialists to open factories in Turkey, this might not only produce job opportunities for the migrants and local people, but also increase the Turkish foreign trade to other countries, since the majority of the Syrian businessmen their businesses are mainly dealing with the foreign markets. Second, a stable and clear residential regulations regarding to the Syrians should be issued. The recent Syrian migrants to Turkey are not restricted to the blue-collar class, many Syrian business people have come from Jordan, Egypt, Lebanon or other countries to Turkey during the last year and now. The issuance of a firm residential regulations regarding to the Syrians not only can attract new Syrian investors from other countries to Turkey, but also ease the anxiety in the minds of the Syrian business people, which, they have been refused and rejected by many other neighboring countries. The Syrian business migrants have the money with them, their arrival in Turkey cannot be only considered as a negative influence, rather a positive impulse to the local market. However, many of them choose to buy a flat and without investing due to the problems which mentioned in the former section. A stable residential regulations definitely can enhance their confidences to invest in Turkey. This policy is not only good for the economic perspective, but also can keep the other Syrian social elites such as, doctors,

professors, or engineers to stay inside Turkey. Third, even though there are thousands of Syrian business people in Turkey, due to their former political and social context in Syria, they are not willing to cooperate with each other, yet working individually. Even if the Turkish government attempts to negotiate with the Syrian business migrants, the lack of unification of the Syrian business people in Turkey will impede the further cooperation. The economic strength of the Syrian business migrants has been shown in this paper, an applicable policy towards the Syrian business migrants can definitely create a win-win game for both the Syrian migrants and Turkish people.

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ENDNOTES

- 1 The idea of this title came from what the vice Wali told a Syrian businessman in Istanbul: "you are the Muhajiroon (emigrants) and we are the Ansar (helper)."
- 2 The author appreciate the help from the Center for Middle Eastern Studies for facilitating his fieldwork in Turkey between November 2014 and April 2015. In addition, special thanks give to his Syrian teacher Jumma, Turkish teacher Hussein, and all the Syrian friends who helped him with his research in Turkey. Finally, thanks to Michael Hobart for proofreading and editing this piece.
- 3 The table is made by the author thorough the data from the Chamber of Commerce in Istanbul, Mersin, and Gaziantep.
- 4 This number is from the 1st of January 2015 to the 3rd of March 2015.
- 5 Personal observation



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