Sources of Wealth and its Social and Political Implications in Nineteenth-Century Damascus

Abdul-Karim Rafeq
College of William and Mary, Williamsburg

Two patterns dominate the economy of Damascus in the 19th century: a weak traditional economy based on the guild system facing severe competition from European capitalism, and an emerging proto-bourgeoisie combining traditional and modern economic practices.

Traditional economy based on the guild system functioned smoothly and successfully in the three centuries that preceded the 19th century.1 Guilds maintained the division of labour, regulated the distribution of raw materials among craft members, guaranteed the quality of production, fixed prices of commodities, and levied taxes collectively imposed on guild members in accordance with each member’s work. The core of business activity was the workshop run by a master aided by journeymen and apprentices. To open a workshop, a master had to buy or rent the gedik (the equipment needed in the shop) and the khilw (the right to use the shop). The gedik of a textile workshop, for example, included looms and their equipment. Islamic tradition discouraged partnership among masters to avoid monopolies, to ensure fair prices of commodities, and to encourage competition and creativity among them. The Muslim Shari’a court in Aleppo, for example, ordered the saddlers (sarrājūn) in 1640 to work independently and not to resort to partnership because it was harmful to the Muslims (“yashtaghil kull wāhid min-hum fī dukkān mustaqill wa-lā yashtarikūn fī l-‘amal li-anna fīhi ḏararan..."

li-l-Muslimīn”). A similar injunction was reiterated in 1845 by the Higher Consultative Council in Damascus (Majlis Shūrā al-Shām al-ʿĀlī) even though individual workshops were facing a crisis at the time due to European competitive goods, and they needed to pool resources to measure up to the impact of capitalist Europe. Another important aspect of the guilds is that they integrated the religious communities within their ranks by emphasizing expertise over religious affiliation in joining the guilds and rising within their ranks. Several guilds, for example, had mixed memberships of Muslims and Christians, or Muslims and Jews, or members of all three communities.

Mercantilist Europe, prior to the 19th century, did business with the traditional economy and society of the Middle East. Capitalist Europe in the 19th century devastated the traditional economy and society of the Middle East with grave social and political consequences.

**Capitalist Economy versus Traditional Economy**

Muhammad ʿAlī Pasha of Egypt, who ruled Syria from 1831-1840, opened the country up to western influence. Western consuls, for example, were established in Damascus where none had existed under Ottoman rule before. Christian missionaries, notably American Presbyterians, were allowed into Syria to establish schools and churches. More importantly for the economy of Syria, European textiles inundated the local markets. They were carried in large quantities on steamships to the enlarged seaport of Beirut and from thence to Damascus. To increase the volume of British goods exported into Syria, the British concluded the Balta Limanı treaty with the Ottomans in 1838 which decreased customs duties on British imported goods considerably making them more competitive with locally-produced goods. The terms of this treaty were later on extended to other European states. Consequently, traditional looms were put on sale more frequently at reduced prices. The price of the gedik and the khilw of traditional textile workshops also fell sharply. To minimize their losses, owners of textile workshops reduced the wages of their journeymen thus risking clashes within the guilds. Some work-

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2 Law Court Registers (hereafter LCR) (Directorate of Historical Archives in Damascus), Aleppo, vol. 22, p. 248 (22:248), case dated 14 Ramadān 1049 (8 January 1640).

3 Damascus Archives, Majlis Shūrā al-Shām al-ʿĀlī (Majlis Shārā), vol. 5, case dated 20 Shawwal 1261 (22 October 1845).