



RECONSTRUCTING SYRIA: ASSAD'S GOALS AND INTERESTS

Eugenio Dacrema
ISPI and TRENTO UNIVERSITY

After 8 years of conflict, Syria is a country in ruins. The World Bank estimates the value of the physical damage at no less than \$197 billion¹. One fourth of the housing units have been destroyed or damaged (with peaks of 40 percent in areas such as Deir el-Zor and Idlib) along with almost half of the healthcare and education infrastructures. But the price of reconstruction is likely to be much higher than the simple value of the damages. Other estimates that take into account the long-term cost of recreating the country's pre-crisis social and economic conditions calculate an overall price of reconstruction at approximately \$400 billion².

Hence, the reconstruction of Syria would represent an extraordinary challenge even in the presence of many rich countries willing to contribute and of political conditions guaranteeing long-term stability and sustainability. But this is not the case. Major obstacles persist on the way to a complete reconstruction of Syrian cities and villages. Such obstacles can be summarized in two main points:

- The lack of donors willing to provide the necessary funds.
- The lack of workforce to physically undertake a countrywide reconstruction plan.

Both sets of problems have roots in the imperfect political arrangement that has emerged from the last two years of war and which seems doomed to constitute the political framework for the post-war period. In fact, while the regime of Bashar al-Assad seems close to achieving a complete victory over the opposition, its uncompromising, zero-sum nature has alienated the support of most external actors and minimized the chances of return for most Syrian refugees abroad. Nevertheless, the Assad regime does not

Eugenio Dacrema is an Associate Research Fellow for the MENA Centre at ISPI. Currently, he is a PhD student at the University of Trento



seem particularly concerned by this prospective. On the contrary, it has promoted policies that seem to consolidate such obstacles. This apparent contradiction needs to be addressed by taking into account two intertwined factors:

- The specific perspective of the regime regarding the long-term political and social configuration of post-war Syria, which is not necessarily similar to what existed before the conflict.
- The two primary goals that the regime aims to achieve through the reconstruction process: power stability and emancipation from external forces.

A VICTOR WITH FEW “GOOD” FRIENDS

The Assad regime is a victor with few friends. In particular, it has few rich friends willing to support it financially. Its two main international allies, Russia and Iran, do not have the resources to significantly contribute to the country’s reconstruction. On the contrary, over the last two years they have been competing to obtain shares of Syria’s limited natural resources – especially oil and phosphates – and to guarantee their companies a privileged position in future reconstruction projects³. However, the question remains open about who will provide the funds to undertake such projects.

Western powers, in particular the US and most European countries, have already declared their reluctance to join the reconstruction effort without any significant political transition taking place. Over the last eight years they have introduced, and progressively intensified, economic sanctions against the Assad regime and the most important members of its political and economic elite. The increasing criticism that these sanctions have sparked⁴ does not seem to have had any significant effect so far; on the contrary, during the first months of 2019 both the US and the EU

have widened their applicability and reach. Even the electoral rise of right-wing and (more or less) philo-Russian forces in some EU member states, such as Italy and Austria, may not significantly change this picture. In fact, while governments led by these parties may seem more sympathetic toward the Assad regime and keener to re-establish normal diplomatic relations with Damascus, the same nationalistic, America-First-style rhetoric employed by their leaders discourages the idea of providing significant financial resources to other countries. Therefore, Damascus may soon be able to obtain “normalization” from some Western powers but little, if any, financial support.

Something similar can be said about China, a financially well-endowed power which has provided political support to the Assad regime throughout the entire conflict. Apart from a few pledges of relatively little significance, so far Beijing has not shown any willingness to play a major part in Syria’s reconstruction⁵. Analysts have offered two main explanations for this: first, at present Beijing seems not to consider the Assad regime capable of providing the necessary guarantees of stability to justify major long-term investments. This is a factor that, in their recent history, Chinese authorities have shown to consider of primary importance in deciding whether to provide financial support to their foreign partners. Second, Beijing knows that a significant involvement in post-war Syria may have several political repercussions, with the concrete risk of dragging China into the core of Middle East political disputes: something that Beijing has always avoided in recent decades. Keeping investments separate from politics in Syria may turn out to be impossible and Beijing may risk frictions with other major regional and international powers such as Russia, Iran, Turkey, and Saudi Arabia: all countries China maintains valuable partnerships with.



However, despite this overall negative picture, some positive signals are coming from the Gulf monarchies, namely from the United Arab Emirates (UAE) and Saudi Arabia. Nowadays, these powers seem more preoccupied with the rising regional role of Turkey and Qatar – the two main sponsors of the Syrian opposition – than with their traditional nemesis, Iran – an ally of the Syrian regime for four decades. The re-opening of the embassies of the UAE and Bahrain at the end of 2018 – which may soon be followed by the re-opening of Saudi Arabia’s embassy – have been interpreted also as a signal of these countries’ willingness to contribute to the reconstruction of Syria. However, the size of their involvement is doomed to be conditioned on Damascus’s limited will – and capability – to curb the Iranian influence in the country and/or to play along with Riyadh’s and Abu Dhabi’s power game against Turkey and Qatar. Hence, while it is likely that Gulf monarchies will have some role in the reconstruction process – especially in megaprojects situated in urban areas such as “Marota City”, launched in the Damascene neighbourhood of Mezzeh – their involvement may remain limited in both size and geographical terms.

NO MANPOWER TO REBUILD

The shortage of financial support is not the only major obstacle that Syrian authorities may face in their attempt to rebuild the country. Even if money to enact major reconstruction projects were to be found, the country would still be in dire lack of manpower. Most of working-age men who are not enrolled in the army – or in the numerous militias fighting for the regime – or physically disabled by the conflict are currently either abroad or in rebel-held areas. While those who stayed and fought for the regime expect now to be repaid in the form of life-long financial aid or public jobs – expectations that the regime has shown to

be willing to fulfill⁶ – those who are abroad are currently evaluating the potential risks and benefits of coming back.

One major push factor is represented by the dire conditions in which most of them live in the host countries (especially in Lebanon and Jordan)⁷. However, it must be stressed that the regime has not implemented any strong policies to pull them back. For instance, according to most analyses, several provisions of Law 10 – the law passed in 2018 by the Syrian government to regulate future reconstruction projects⁸ – are specifically designed to expropriate a significant share of the Syrians living abroad and to ultimately redesign the social composition of the areas where the rebellion took place. Moreover, although Damascus announced an amnesty for those who deserted military service, it should be highlighted that the law only exempts those who left to avoid jail, and still compels them to join the army once back. A condition that would deprive numerous refugee families of their only breadwinners if they return to their country. Finally, even when coordination for the return of refugees has been established with host countries, such as Lebanon, Damascus has imposed strict security procedures for all those wishing to re-enter Syria, making the process rather long and potentially dangerous for those suspected of having sympathized – or of having had connections – with the opposition⁹.

THE REGIME’S FINAL GOALS

Despite the major obstacles described above, the regime has not shown major concerns regarding the reconstruction process. Its diplomatic outreach has been focused almost solely on obtaining the abolition of foreign sanctions on its economic activities. As mentioned, it even refused to undertake noteworthy political and legislative steps to ease the return of refugees or to attract major



financial contributions from abroad. To understand this behaviour, it is necessary to reassess the reconstruction process through the viewpoint of the Syrian regime and to consider two main goals that Damascus aims to achieve through the reconstruction of the country: stability and independence.

For instance, the reconstruction process does not need to be so expensive and extensive if it is not meant to benefit all Syrians, but only those who proved their loyalty to the regime. On numerous occasions, several Syrian high dignitaries, including President Bashar al-Assad himself, stressed that one positive outcome of the crisis has been to render the Syrian social fabric “more homogeneous”¹⁰ and that those who have not served their country during its direst crisis should not expect to feel welcomed if they come back¹¹. Words have often been followed by deeds: people known for their support for the opposition have been arrested or “disappeared” in areas retaken by the regime, such as the southern province of Daraa, despite having signed the regime-sponsored reconciliation agreements¹². Similarly, several refugees who made it back to their country have disappeared after having been summoned for questioning by the security forces¹³. Through these actions, the regime is giving clear signals that it does not wish to take back a significant share of the population that, for one reason or another, it does not believe it can rely on. Some analyses have proposed that some sort of “sectarian cleansing” is underway, especially in those areas where the revolt was particularly strong¹⁴. However, it may be wrong to read these developments through a sectarian lens. The criteria adopted by the regime seems to be based much more on loyalty: constituencies which throughout the crisis have proven disloyal – which happen to be mostly, but not exclusively, Sunni – are kept out of the country or at the margins of the society while those constituencies

who proved their loyalty – who happen also to be Sunni, especially in major urban areas – are given priority to access jobs and resources, especially in the framework of the reconstruction.

Second, the process of rebuilding the country is intended by the Syrian leadership also as a means to consolidate its hold on power and to emancipate itself, as much as possible, from its increasingly cumbersome allies. A major, multi-national and comprehensive reconstruction plan would represent an obstacle for such vital objectives for two reasons: first, at present the regime’s bureaucracy is badly equipped to autonomously administrate and coordinate major plans involving multiple donors, massive amounts of money, and complex planning. The long conflict has left Syrian institutions in a shaky, barely functioning state and a considerable amount of time will be required to return them to their pre-war efficiency. Thus, to cope, Damascus may be forced to recur, once again, to the vital support of Teheran and, especially, Moscow. Second, such a scenario would also imply diplomatic initiatives, such as international conferences and UN-sponsored processes that may involve the imposition of political conditions and that would require the active mediation of the countries involved in the Astana process (Russia, Turkey, and Iran). Especially Russia and Turkey have actively tried to use the Syrian crisis as a bargaining chip in their own diplomatic disputes with the West. The conference in Istanbul promoted by Ankara and Moscow last October, which saw the participation of the German Chancellor Angela Merkel and French President Emmanuel Macron, may be seen as a first attempt by Russia and Turkey to seize control of the process of post-war reconstruction, acting as mediators between potential major donors and the Assad regime. It is possible to speculate that this kind of scenario is not welcome in Damascus, since it would force the regime to



delegate the achievement of its main domestic and foreign-policy goals to others. On the contrary, Damascus is showing willingness to pursue a lower-profile outreach to foreign powers, establishing direct relations with sympathetic governments without the mediation of third powers, including its allies. This approach may prove effective in establishing relations and credit lines with Arab countries or with international powers that have maintained direct ties with Damascus throughout the crisis, such as China. At the same time, it may prove less effective with most, but not all, Western powers. Nevertheless, although in this way the Assad regime would secure smaller amounts of funds, it would be able to administrate and channel them independently and according to its own perspective of the country's reconstruction.

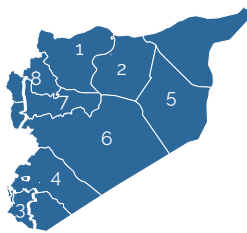
Moreover, Damascus has shown absolute reluctance to rely on foreign expertise for the planning and implementation of the reconstruction projects. This appeared clear in the recent declaration of the Syrian deputy Foreign Minister Faysal Mekdad, who stated that Syria will not rely on post-war plans "made in Beirut, the Gulf, or Brussels". He was probably referring to the "National Agenda for the Future of Syria" project launched by the Beirut-based UN agency ESCWA in 2012, whose objective has been designing plans for the reconstruction of Syrian infrastructures, economy, and social fabric. The Syrian government launched its own program in 2017 – named "the National Development Programme for Post-War Syria" – which has seen very little progress, as proved by the public statements released on occasion of the assessment meeting that the work-group held in February 2019. Nevertheless, Damascus seems determined to rely solely on its domestic expertise, regardless of the fact that it has been vastly depleted by the war and the consequent migration of many high-level professionals. Thus, limited, low-profile, but yet autonomous and

self-regulated reconstruction plans emerge as the most likely way forward for Damascus, which sees the process of rebuilding the country as primarily aimed at guaranteeing one fundamental goal, the same that has guided its actions throughout the entire 8-year-long crisis: the long-term survival of the Assad regime.

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CHALLENGES OF THE SYRIA RECONSTRUCTION

The World Bank estimates the cost of reconstruction to be 197 billion Euro. Reconstruction, the return of refugees and internally displaced people are deeply connected. Approximately 1 out of 2 Syrians were forced to leave their home over the last 8 years.



THE MAIN GOVERNORATES AFTER 8 YEARS OF CONFLICT

The following areas are those where most of the fighting occurred:

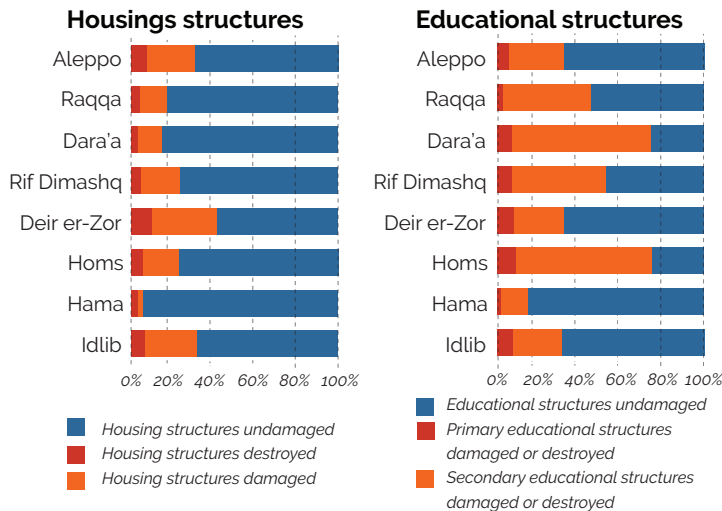
- 1. Governorate: **Aleppo**; City: **Aleppo**
- 2. Governorate: **Raqqa**; City: **Raqqa**
- 3. Governorate: **Dara'a**; City: **Dara'a**
- 4. Governorate: **Rif Dimashq**; City: **Douma**
- 5. Governorate: **Deir ez-Zor**; City: **Deir ez-Zor**
- 6. Governorate: **Homs**; City: **Homs**
- 7. Governorate: **Hama**; City: **Hama**
- 8. Governorate: **Idlib**; City: **Idlib**

THE MATERIAL DAMAGES AFTER 8 YEARS OF CONFLICT

A high percentage of private houses have been destroyed or damaged, along with many infrastructures. Basic services are still not provided, including schools, hospitals, energetic infrastructures and road connections.

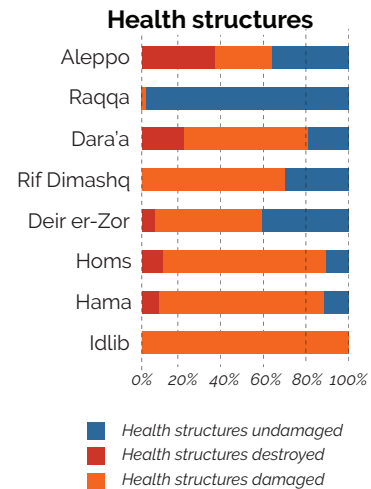
For governorates:

(Data: World Bank, 2017)



For cities:

(Data: World Bank, 2017)

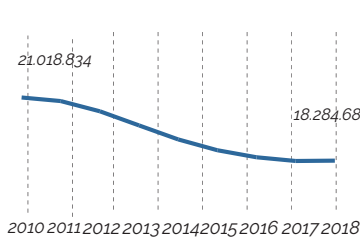


THE DEMOGRAPHIC CRISIS AFTER 8 YEARS OF CONFLICT

Syria citizens living inside the national territory today are 18 million. The population has decreased of approximately 3 million units in 8 years. It was caused by the high number of war victims and the worsening of security and humanitarian conditions. 5.5 million Syrian citizens are currently outside their country, six million Syrians moved from a region to another within the Syrian territory.

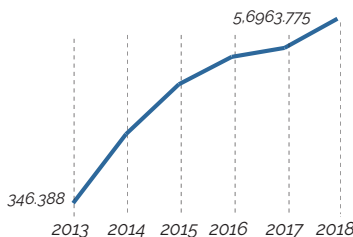
Resident population in Syria

Number of Syrians living within the national territory.
(Data: 2010-2018, United Nations)



Total number of refugees

Number of Syrians registered abroad.
(Data: 2010-2018, UNHCR)



Which governorates do Syrians escape from?

First 8 Governorates of origin of refugees abroad and internally displaces people
(Data: World Bank, November 2016)

