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Drivers of urban reconstruction in Syria: power, privilege and profit extraction

After seven years of revolution, counter-revolution and destruction, Syria faces immense reconstruction needs. Estimated to cost at least €200 billion and involving controversial regime allies such as Russia and Iran, repairing the devastation to the basic infrastructures of the country is set to be a daunting and inevitably political task. European policy makers are considering engagement with the Assad regime to support the much-needed reconstruction of the country, yet face an array of moral and practical questions along the way.

This policy brief examines such questions with regards to urban reconstruction. It is the first in a series that explores practical considerations of potential European involvement in specific areas of reconstruction in Assad-ruled Syria. The policy brief translates its findings into four specific steps European policymakers can take in order to ensure that their efforts to contribute to urban reconstruction do not strengthen authoritarian rule or exacerbate ongoing conflict dynamics in Syria.

Introduction¹

Before the first Syrian protestors took to the streets of Dar'a, the 'cradle of the revolution' in early 2011, Syria was a lower-middle income country. Its economy

featured medium-to-high income inequality (Gini index 32.7%), the highest female unemployment rate in the region (25.2%), and one of the lowest labour force participation rates in the world (43.5%).² Corruption was widespread and trust in police and judicial institutions was low. For example, only 48 per cent of Syrians

¹ The author is grateful to Erwin van Veen (Clingendael) for his generous review of this brief, to Razan Ghazzawi (University of Sussex) for her critical notes on reconstruction in Syria, to Edwar Hanna (C4D) for sharing his own work on urbanism in Syria, and to Bradley Lineker (King's College London) for allowing me to bounce different ideas off him. The brief is part of Clingendael's Levant research program about which more can be found here: <https://www.clingendael.org/research-program/levant>.

² World Bank Group (2017), *The Toll of War: The Economic and Social Consequences of the Conflict in Syria*, p. iv. Online: <http://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria> (Accessed 08/01/2018).

trusted local police in 2010.³ Despite such depressing features, there was a GDP growth of 4.3 per cent per year in the decade before the protests.⁴ This, however, largely benefited a select group of regime loyalists.

More than six years later, destruction in Syria is widespread and humanitarian access remains limited. The country experienced a cumulative GDP loss of 63 per cent between 2011 and 2016, and reconstruction costs are estimated at a minimum of €200 billion.⁵ In light of this devastation, European policy makers are considering engagement with the Assad regime to support the much-needed reconstruction of the country.

This policy brief is the first in a series that explores practical considerations of potential European involvement in specific areas of reconstruction in Assad-ruled Syria. These considerations are, to a substantial number of Syrians, secondary to the moral considerations involved in tacitly supporting a regime that has, in all likelihood, been responsible for mass atrocities in a conflict which remains active.⁶

Nevertheless, identifying practical reconstruction challenges will help European policy makers to better understand the moral dilemmas of engagement and enable consideration of modalities that can benefit ordinary citizens more than the regime. This brief analyses the political, legal and commercial dimensions of the urban reconstruction of Syria's major cities, which has, in fact, already commenced.

Setting the scene: general reconstruction needs and difficulties

Six years of violent conflict in Syria have caused tremendous human and material damage. A recent World Bank Group study made the most extensive effort to date to bring together data on various reconstruction needs. The study highlights at least nine issues of significance:⁷

1. **Damage to physical infrastructures.** 7 per cent of housing stock has been destroyed and 20 per cent has been partially damaged.
2. **Disruption of formal and informal economic networks.** Displacement and damage to businesses has dispersed networks, and the high degree of physical insecurity makes it difficult for individuals to rebuild their businesses, since private investments risk being lost due to renewed violence.
3. **Mass demographic displacement.** Around 31 per cent of Syria's total population is officially registered as a refugee outside the country and a roughly equal percentage is internally displaced.

3 Human Rights Watch (2010), *A Wasted Decade: Human Rights in Syria during Bashar al-Asad's First Ten Years in Power*. Online: <https://www.hrw.org/report/2010/07/16/wasted-decade/human-rights-syria-during-bashar-al-asads-first-ten-years-power> (Accessed 20/01/2018) and World Bank Group (2017), *The Toll of War: The Economic and Social Consequences of the Conflict in Syria*, p. iv-v. Online: <http://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria> (Accessed 08/01/2018).

4 World Bank Group (2017), *The Toll of War: The Economic and Social Consequences of the Conflict in Syria*, p. iv. Online: <http://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria> (Accessed 08/01/2018).

5 Ibid. and Sengupta, S. (2017), *Help Assad or Leave Cities in Ruins? The Politics of Rebuilding Syria*, The New York Times. Online: <https://www.nytimes.com/2017/12/03/world/middleeast/syria-war-rebuilding-homs.html> (Accessed 08/01/2018).

6 For example, Yassin al-Haj Saleh, a prominent political dissident dubbed Syria's 'voice of conscience', is a fervent critic of the notion that al-Assad is 'the only option'. See: <http://www.yassinhs.com/2017/04/06/syria-the-left-and-the-world/>.

7 World Bank Group (2017), *The Toll of War: The Economic and Social Consequences of the Conflict in Syria*, p. iv-v. Online: <http://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria> (Accessed 08/01/2018).

4. **Damage to physical and mental health infrastructures.** 50 per cent of medical facilities were reported to be partially damaged and 16 per cent were fully destroyed.
5. **Cumulative GDP loss** of 63 per cent between 2011 and 2016.
6. **Disruption of the hydrocarbon and agricultural sectors.** Fuel shortages have led to a sharp drop in power supply, as a result of which most cities only receive electricity for a couple of hours a day. This has consequences for almost all sectors. For example, many key hospital services can only be provided when there is electricity, and therefore only at certain times. In the agricultural sector, the GDP contracted by 41 per cent between 2011 and 2015. Production of wheat is 55 per cent lower than before 2011, there are 30 per cent fewer cattle, 40 per cent fewer sheep and goats, and 60 per cent fewer poultry.
7. **Sharp increase in the prices of key resources.** Fuel oil prices increased by 1000 per cent, and rice and sugar prices by 230 per cent between 2011 and 2015.
8. **Mass dependence on food aid,** in particular in former battlegrounds between the regime and opposition groups, such as Damascus, Homs and Aleppo. Around 30 per cent of Syrians receive food assistance.
9. **Mass unemployment and poverty.** 75 per cent of Syrians of working age are not involved in economic value generation and 60 per cent of Syrians live in extreme poverty.

The structural shortages of affordable fuel, regular electricity and safe water, as well as the damage to roads, railways and airports, exacerbate these issues. It is worth noting that several of these shortages and/or economic challenges were already engrained in the pre-2011 Syrian political economy and have ballooned as a result of seven years of civil war. At the time, the political economy was structured to benefit the regime and solidify its power base by cementing political-military-economic networks of loyalty, obligation and benefit through economic and political privileges

and rewards.⁸ While an unmistakable need exists today for substantial reconstruction efforts, in themselves, the cessation of violence and commencement of reconstruction efforts will be insufficient to alleviate the impact of the problems noted above for ordinary Syrians. Only adaptation of the regime's political-economic modus operandi can achieve this. Yet, such a shift is unlikely to happen given present battlefield conditions. In short, reconstruction efforts are likely to replicate previous patterns and dimensions of the regime's political-economy and/or serve to consolidate its power base.

Before 2011, the Syrian regime organised its central authority over its geographically diverse territory through patrimonial governance, which includes rewards for loyalty from local populations, and so-called 'crony capitalism': a set-up whereby loyalist segments of the private sector are afforded privileges by the regime, and in turn help entrench government power, essentially merging the political and business classes.⁹ Early signals from the past years indicate that the regime is still pursuing a similar modus operandi. For example, oil tycoon and key investor in the pro-regime Addounia TV, Ayman Jaber, finances the pro-regime militias Suqur as-Sahra' and Fawj Maghawir al-Bahr.¹⁰ Also, Samer Foz, a businessman with close ties to the regime, is a significant contributor to regime-led reconstruction through his Aman Group – a company also flagged as one of numerous private-sector

8 Al-Haj Saleh, Y. (2017), *The Impossible Revolution*, Chicago, IL: Haymarket Books.

9 Haddad, B. (2011), *Business Networks in Syria: the Political Economy of Authoritarian Resilience*, Palo Alto, CA: Stanford University Press, Transformation Index (BTI) (2010), *Syria Country Report*. Online: https://www.bti-project.org/fileadmin/files/BTI/Downloads/Reports/2010/pdf/BTI_2010_Syria.pdf (Accessed 08/01/2018).

10 Sottimano, A. (2016), *The Syrian Business Elite: Patronage Networks and War Economy*, Syria Untold. Online: <http://www.syriauntold.com/en/2016/09/the-syrian-business-elite-patronage-networks-and-war-economy/> (Accessed 20/01/2018).

regime loyalists benefiting from Syria's renewed food trade.¹¹

This suggests that in addition to the more obvious political tools for power consolidation – such as political negotiations and coercive force – the Syrian regime is also deploying more under-the-radar socioeconomic methods to the same effect. Its recent urban reconstruction policies are a good example.

Dynamics of urban development then and now

Since 1997, even before 2011, the urban-rural divide in Syria had been growing, with poverty concentrated in the rural areas in the north-east of the country.¹² Urbanisation triggered the large-scale establishment of illegal housing in the suburbs of Syria's major cities such as Damascus, Aleppo and Homs. These so-called 'Sunni belts' experienced significant demographic pressure in the mid-to-late 2000s due to a drought-induced agricultural crisis that sparked more rural-urban migration, and the arrival of between 1.2 and 1.5 million Iraqi refugees.¹³ Many of these areas later turned out to be hotbeds of 'rebellion' and

primary recruitment grounds for moderate and radical armed opposition groups. Today, many are set to be replaced by modern luxury housing complexes. Since current residents do not hold any official property ownership documents, they are likely to be displaced without having an alternative source of livelihood or housing.¹⁴

Traditionally, the regime appeared to follow a dual policy in respect of these urban poverty belts, which consisted of tolerating 'informal housing' on the one hand while stimulating luxury gated communities on the other. Informal housing, or less euphemistically, slums, are properties built without legal permission. Government investments typically ignored these areas prior to 2011 and focused instead on accommodating wealthy, regime-loyalist elites.¹⁵ In 2007, these slums were described by the Syrian Economic Centre as a 'time bomb which could threaten the security and stability of the country'.¹⁶ Before 2011, it was the regime's policy that although these areas 'are illegal and should be destroyed, it is only legal to carry out such demolitions if alternative housing is provided'.¹⁷ Considering the important role these areas played in the onset of the revolution, it can be expected that the Syrian regime will try to find a way to push these residents away from these urban areas.

Post-2011 legislation on urban reconstruction

In December 2017, the Syrian People's Assembly approved a law setting the state to pay for 10 per cent of the national

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- 11 Saul, J. (2017), *Exclusive – Assad Allies Profit from Syria's Lucrative Food Trade*. Online: <https://uk.reuters.com/article/uk-syria-food-exclusive/exclusive-assad-allies-profit-from-syrias-lucrative-food-trade-idUKBRE9AE05V20131115> (Accessed 08/01/2018). Sottimano, A. (2016), *The Syrian Business Elite: Patronage Networks and War Economy*, Syria Untold. Online: <http://www.syriauntold.com/en/2016/09/the-syrian-business-elite-patronage-networks-and-war-economy/> (Accessed 02/01/2018). Daher, J. (2016), *Militias and Crony Capitalism to Hamper Syria*, Syria Untold. Online: <http://www.syriauntold.com/en/2017/09/militias-and-crony-capitalism-to-hamper-syria-reconstruction/> (Accessed 08/01/2018).
- 12 World Bank Group (2017), *The Toll of War: The Economic and Social Consequences of the Conflict in Syria*, p. 11. Online: <http://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria> (Accessed 08/01/2018).
- 13 *Ibid.*, p. 13.

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- 14 Syria:direct (2017), *'Damascus Dream' Project to Rebuild Means Eviction Notices for Slum Residents*. Online: <http://syriadirect.org/news/%E2%80%98damascus-dream%E2%80%99-project-to-rebuild-means-eviction-notices-for-thousands-of-slum-residents/> (Accessed 15/01/2018).
- 15 Goulden, R. (2011), 'Housing, Inequality, and Economic Change in Syria', *British Journal of Middle Eastern Studies*, vol. 38, no. 2, pp. 187-202.
- 16 *Ibid.*
- 17 *Ibid.*

reconstruction process. This signifies an effort to boost state-led reconstruction in the near future, while also stimulating substantial private investment.¹⁸ This law is built on a number of legislative acts that together outline the regime's vision for Syria's future, the most well-known of which is Legislative Decree 66, signed by Bashar al-Assad in September 2012.

Legislative Decree 66 is a 17-page document outlining the government's urban reconstruction plans for several areas in the Damascus governorate which were reinstated under government control, including al-Mazze, Basateen al-Razi, Kafar Sousah, al-Qadam, Daraya and Basatin al-Qanawat, all south-western suburbs of the Old City of Damascus.¹⁹ The development project is said to provide around 12,000 housing units for 60,000 people, as well as key public services such as schools.

However, this project is not without its concerns or critics. In Basateen al-Razi, for example, where Assad laid the foundation stone of the reconstruction project in March 2016, there has been growing concern about the forcible dispossession of residents to make way for new infrastructure such as roads. Some residents express fears that the area is targeted deliberately, since the neighbourhood was a hub of anti-regime protests in 2011 and 2012.

Daraya, another area covered by the decree, was forcibly evacuated when the government regained control over it in August 2016, after it had been held by rebels for four years, and had suffered besiegement and bombardment by the government.²⁰ Most of Daraya's displaced residents are in different parts of the Idlib governorate. There is no evidence that they have been consulted or included in the regime's reconstruction plans, which were drafted before the residents were forcibly displaced. A recent Amnesty International report voices concern that many of the area's former residents would be unable to fulfill the property rights requirements outlined by the decree due to destruction and loss of documentation.²¹

A burst of lesser-known legislation that affects the nature of regime-led urban reconstruction efforts preceded Legislative Decree 66. This includes the March 2012 law on the establishment of real estate financing companies,²² the April 2012 legislative decree on the reclamation of agricultural land,²³ and the May 2012

18 SANA (2017), *People's Assembly Approves Law Amending National Share Percentage in Reconstruction Process*. Online: <https://sana.sy/en/?p=120482> (Accessed 01/12/2017).

19 Syrian Parliament (2012), *المرسوم التشريعي 66 لعام 2012 إحداث منطقتين تنظيميتين في نطاق محافظة دمشق*. Online: <http://parliament.gov.sy/arabic/index.php?node=201&nid=4300&RID=-1&Last=3&First=0&CurrentPage=0&VId=-1&Mode=-1&Service=-1&Loc1=0&Key1=السكن&SDate=2010-12-07&EDate=2017-12-07&Year=-1&Country=&Num=&Dep=-1&> (Accessed 02/01/2018).

20 Barnard, A. & Saad, H. (2016), *Besieged Town of Daraya Agrees to Surrender to Syrian Conflict*, The New York Times. Online: <https://www.nytimes.com/2016/08/26/world/middleeast/daraya-syria-assad-surrender.html> (Accessed 01/01/2018).

21 Amnesty International (2017), *We Leave or We Die: Forced Displacement under Syria's "Reconciliation" Agreements*, p. 33. Online: https://www.amnestyusa.org/wp-content/uploads/2017/11/We-leave-or-we-die_Syria-REPORT.pdf (Accessed 08/01/2017).

22 Syrian Parliament (2012), *القانون 15 لعام 2012 السماح بتأسيس شركات تمويل عقاري وشركات إعادة تمويل عقاري*. Online: <http://parliament.gov.sy/arabic/index.php?node=201&nid=4325&RID=-1&Last=7&First=0&CurrentPage=0&VId=-1&Mode=-1&Service=-1&Loc1=0&Key1=المصالح العقارية&SDate=2010-12-07&EDate=2017-12-07&Year=-1&Country=&Num=&Dep=-1&> (Accessed 01/12/2017).

23 Syrian Parliament (2012), *المرسوم التشريعي 29 لعام 2012 استصلاح الأراضي الزراعية*. Online: <http://parliament.gov.sy/arabic/index.php?node=201&nid=4320&RID=-1&Last=7&First=0&CurrentPage=0&VId=-1&Mode=-1&Service=-1&Loc1=0&Key1=المصالح العقارية&SDate=2010-12-07&EDate=2017-12-07&Year=-1&Country=&Num=&Dep=-1&> (Accessed 01/12/2017).

legislative decree on the removal of building violations.²⁴ All these pieces of legislation are notable for their public-private partnership orientation, which ensures close government-business relations, and for their timing, which suggests detailed planning. Since 2012, the pace and significance of urban reconstruction-related legislation has slowed down, but some relevant legislation has nevertheless been passed. For example, Legislative Decree 19 was adopted in May 2015. This allows local authorities to establish their own investment companies.²⁵ Practically, it enabled the establishment of a holding company called Damascus Sham, which is the main funder of the urban reconstruction project in Damascus. Sham is a public-private partnership that oozes crony capitalism, according to Joseph Daher.²⁶ The additional advantage of Decree 19 is that it allows the regime to reduce transparency and local consultation because it stipulates that local interests will be defined by private businesses – obviously with close links to the regime – rather than by local communities.²⁷

Together, the range of adopted legislation signals a desire to return to pre-conflict trends in urban planning. These included, for example, a focus on building suburban areas for the wealthy (as secondary residences), rather than meeting the huge demand for primary urban housing. They also included a pre-occupation with creating lucrative private investment opportunities with high revenues for the state.²⁸

A final notable dimension of the regulatory framework for urban reconstruction in Syria is that few Syrian non-governmental organisations (NGOs) are authorised by the Syrian Foreign Ministry to work directly with international NGOs (INGOs).²⁹ This makes it difficult for INGOs to select local partners without also indirectly supporting the regime, or at the very minimum following its preferences. The consequences of this were exposed in 2016, when it was revealed that the UN had paid tens of millions of euros to the Syrian regime through 'regime-approved' local NGOs, including some linked to Bashar al-Assad's wife Asma al-Assad and his cousin and business associate, Rami Makhlouf.³⁰

- 24 Syrian Parliament (2012), المرسوم التشريعي، رقم 40 لعام 2012 قانون إزالة مخالفات البناء Online: <http://parliament.gov.sy/arabic/index.php?node=201&nid=4311&RID=-1&Last=3&First=0&CurrentPage=0&Vid=-1&Mode=-1&Service=-1&Loc1=0&Key1=السكن&SDate=2010-12-07&EDate=2017-12-07&Year=-1&Country=&Num=&Dep=-1&> (Accessed 01/12/2017).
- 25 Syrian Prime Ministry (2015), المرسوم التشريعي، رقم 19 لعام 2015 حول جواز إحداث شركات سورية قابضة مساهمة مغلقة خاصة ببناء على دراسات اجتماعية واقتصادية وتنظيمية بهدف إدارة واستثمار أملاك الوحدات الإدارية أو جزء منها Online: <http://www.pministry.gov.sy/contents/12215/-/عام-19-لعام-2015-حول-جواز-إحداث-شركات-سورية-قابضة-مساهمة-مغلقة-خاصة-ببناء-على-دراسات-اجتماعية-واقتصادية-وتنظيمية-بهدف-إدارة-واستثمار-أملاك-الوحدات-الإدارية-أو-جزء-منها> (Accessed 05/12/2017).
- 26 Interviewed in Hashem Osseiran (2017), *The Likely Winners in the Race to Rebuild Syria*, Syria Deeply. Online: <https://www.newsdeeply.com/syria/community/2017/09/13/the-likely-winners-in-the-race-to-rebuild-syria> (Accessed 01/01/2018).
- 27 Khaddour, K. (2017), *I, The Supreme*, Carnegie Middle East Center. Online: <http://carnegie-mec.org/diwan/68348> (Accessed 09/01/2018).

- 28 European Union (2017), *Urban Housing & the Question of Property Rights in Syria*, pp. 32-34 (unpublished.) Also see Norwegian Refugee Council (2016), *Briefing Note: Housing Land and Property (HLP) in the Syrian Arab Republic*. Online: <https://www.nrc.no/globalassets/pdf/reports/housing-land-and-property-hlp-in-the-syrian-arab-republic.pdf> (Accessed 08/01/2018).
- 29 Syria Needs Analysis Project (2013), *Relief Actors in Syria*. Online: https://reliefweb.int/sites/reliefweb.int/files/resources/relief_actors_in_syria.pdf (Accessed 02/01/2018).
- 30 Hopkins, N. & Beals, E. (2016), *UN Pays Tens of Millions to Assad Regime Under Syria Aid Programme*, The Guardian. Online: <https://www.theguardian.com/world/2016/aug/29/un-pays-tens-of-millions-to-assad-regime-syria-aid-programme-contracts> (Accessed 01/01/2018).

Key concerns	Indicators to be mindful of
Prioritisation of luxury (secondary) housing over primary housing needs in urban areas	<p>1. Type and price of housing planned (luxury estates/social/rental or sale)</p> <p>2. Accessibility of applications for purchase or rental (#1) (This can include financial restrictions such as income requirements or minimum investments, or social restrictions such as the need for a personal referral.)</p>
Demographic engineering (political, sectarian, socioeconomic)	<p>3. Accessibility of applications for purchase or rental (#2) (This can include (unequally enforced) legal or political thresholds. Are ownership documents required from residents of all areas? Is the state assisting refugees/IDPs in pursuing property claims? Are (former) illegal residents offered the option to remain in the area? Are (affiliates) of political dissidents disproportionately served with eviction notices?)</p>
State profit maximisation	<p>4. Type of revenue or state taxation scheme (Does the state make money from sales or rental prices? How much, and through which legal constructs?)</p> <p>5. Planned follow-up investments/long-term strategies (Is there evidence that urban reconstruction is part of a long-term strategy which will allocate state profits from luxury estates to housing solutions for the poor?)</p> <p>6. Type of public-private contracts (How accessible and how exhaustive are the regime's contracts with third parties? What kind of mutual responsibilities do they include?)</p>
Transparency evasion	<p>7. Content of contract with a construction company (Does it allow the company to select future residents? Are the procedures for selection openly known?)</p>
Legal institutionalisation of the above concerns	<p>8. Existing and future legislation that allows more freedom for private actors without transparency</p> <p>9. Existing and future legislation with strict demands for property documentation over and above the general standard of documentation before 2011</p>

Post-2016 reconstruction in Damascus governorate

In August 2017, the Syrian regime held the Damascus International Fair.³¹ Only those countries and companies that had proved loyal to the regime were invited, and together they discussed the future reconstruction of Syria. Among these changes are the ongoing urban reconstruction policies in the Damascus governorate, particularly in illegal housing areas where residents have voiced their fears about the changes to come. Unlike the regime's apparent reluctance pre-2011 to demolish these areas unless alternative housing was provided, Decree 66 has allowed for residents to be evicted without providing them with the means to remain in the area.

In al-Qaboun, a neighbourhood in north-eastern Damascus controlled mainly by opposition forces and under government siege since 2014, a former resident told a local reporter: 'We think the regime

will convert the neighbourhood, after its reconstruction, into a military zone, or something resembling the loyalist neighbourhoods in Damascus and on its fringes, along the lines of al-Mazze 86, al-Tadhamun and al-Sumeriyya, especially given the presence of bases for the special forces, the military police, and the air force intelligence on the fringes of the neighbourhood. How are we to return to live in our neighbourhood if its demographic makeup has changed? Perhaps we'll be accused of sectarianism, but let's call it like it is: none of al-Qaboun's residents is going to return to live side-by-side with those who had a hand in their murder and displacement.³²

31 SANA (2017), *Honoring Participating Countries on 9th Day of Damascus International Fair*. Online: <https://sana.sy/en/?p=112620> (Accessed 02/01/2018).

32 Zaman al-Wasl (2016), Photos: Despite 2-Year Old Truce, Qaboun Suffers Severe Siege. Online: <https://en.zamanalwsl.net/news/14333.html> (Accessed 03/01/2018). Salem, J. (2017), كوابيس «إعادة الإعمار» في دمشق وريفها Online: <https://www.aljumburiya.net/ar/content/%D9%83%D9%88%D8%A7%D8%A8%D9%8A%D8%B3-%C2%AB%D8%A5%D8%B9%D8%A7%D8%AF%D8%A9-%D8%A7%D9%84%D8%A5%D8%B9%D9%85%D8%A7%D8%B1%C2%BB-%D9%81%D9%8A-%D8%AF%D9%85%D8%B4%D9%82-%D9%88%D8%B1%D9%8A%D9%81%D9%87%D8%A7> (Accessed 04/01/2018).

Such accounts suggest that past atrocities (and lack of accountability for these) as well as urban reconstruction policies are likely to discourage people from returning to certain areas. However, the resulting demographic shifts are at least as much a result of a third factor that plays a role in complicating or preventing return, namely that much of the regime-instigated violence of the past years has been purposefully geared towards purging areas of dissidents.³³

The role of the regime's urban reconstruction policies in this mix of factors is evidenced by the following example. In 2015, a family in the al-Mazze neighbourhood received the following eviction notice, signed by the governor of Damascus: 'In light of the fact the organizational plan for the area south-east of al-Mazze requires the demolition of the building occupied by yourselves, I notify you of the necessity of evacuating this building and handing it over to the Damascus governorate, drawing your attention to the fact this time period is final, and not open to extension, given that the Damascus governorate shall begin the demolition of the building immediately upon the expiration of the time period granted to you, and shall bear no responsibility for any damages incurred by you as a result of your failure to undertake its evacuation in full.'³⁴

Stories of similar eviction notices have continued to surface since the start of on-the-ground reconstruction efforts. Reportedly, evicted families receive a compensation of around 50,000 Syrian pounds a month (around €82.50), although it is unclear what the duration of these

payments is.³⁵ This sum is far from sufficient to cover the expenses of alternative housing in Damascus, thereby increasing the likelihood that these families will settle elsewhere in cheaper, more rural areas.

Concerns that the regime's urban reconstruction plans are enabling demographic engineering, rewarding political loyalty, and privileging higher socioeconomic classes are well-founded and widespread. After all, the regime has expressed no desire to rehabilitate displaced Syrians (many of whom were forcibly displaced as part of truces with the regime) into the newly designed urban spaces. Furthermore, the modern housing complexes planned by the regime are largely unaffordable to the residents of these areas, and are instead meant to attract wealth. The regime and its business friends simply price those segments of the population it does not wish to live in certain areas out of the housing market.

Although current numbers are unclear, in 2012 slums accounted for around 45–50 per cent of the urban space in Damascus and Aleppo.³⁶ Both cities are due to be rebuilt by the regime. Considering the role of the slums in the onset of the Syrian uprisings in 2011, any reconstruction efforts will have to carefully consider what will happen to these populations.³⁷ Otherwise, the circumstances that allowed for mass mobilisation and recruitment from 2011 onwards risk being replicated.

Although Decree 66 specifically covers the Damascus governorate, it is described by some as a 'blueprint' for reconstruction

33 Various tools of warfare have been utilized by the regime to suppress dissent, which is often class-linked, including sieges and deprivation of food. See BBC News (2014), *Syria: Assad Forces 'Using Starvation as Weapon of War'*. Online: <http://www.bbc.com/news/world-middle-east-26481422> (Accessed 15/01/2018).

34 Salem, J. (2017), *Nightmares of "Reconstruction" in and Around Damascus: Part II*, Aljumburiya. Online: <https://www.aljumburiya.net/en/content/nightmares-%E2%80%9Creconstruction%E2%80%9D-and-around-damascus-part-ii> (Accessed 15/01/2018).

35 Ibid.

36 Laue, F. (2012), 'Vertical Versus Horizontal: Constrains of Modern Living Conditions in Informal Settlements and the Reality of Construction', in Ababsa, M. et al. *Popular Housing and Urban Land Tenure in the Middle East: Case Studies from Egypt, Syria, Jordan, Lebanon and Turkey*, Cairo: The American University in Cairo Press, p. 111.

37 Kilcullen, D. & Rosenblatt, N. (2014), *The Rise of Syria's Urban Poor: Why the War for Syria's Future Will Be Fought Over the Country's New Urban Villages*, Prism, vol. 4, pp. 3-10.

elsewhere in Syria.³⁸ Reports of similar plans in Aleppo have been surfacing. As per July 2017, the total value of reconstruction contracts in Aleppo amounted to around €41 million³⁹ and an Indonesian company has already expressed its commitment to contribute.⁴⁰ Other cities in line to be reconstructed include Homs, of which 60 per cent is uninhabitable as a result of war,⁴¹ and where the UNDP is already leading an initiative to rehabilitate the old city and a solid waste removal project.⁴² These cities are likely to face similar problems to those faced in Damascus, given that they display similar patterns of an urban-rural divide and displacement.

Conclusion

While European policy makers are understandably sitting on the fence as to whether and how to contribute to (urban) reconstruction in Syria, other countries have already voiced their willingness to contribute, and have already invested in regime-led reconstruction efforts.

In 2016, Russian and Syrian officials agreed on a total of €850 million in reconstruction deals, and Russian firms were allegedly

offered priority in rebuilding Syria by Foreign Minister Walid Mu'alleem.⁴³ Similarly, the Chinese-Arab exchange association has been meeting on a regular basis with Syrian officials to discuss urban reconstruction.⁴⁴ Iranian firms have signed contracts for the reconstruction of phone networks and power infrastructure in Aleppo and Homs.⁴⁵ The only organisation with European links known to openly meet with regime officials to discuss urban reconstruction is UN HABITAT.⁴⁶

These developments run counter to the hypothesis that external reconstruction support will create the leverage necessary to attain the political or humanitarian concessions by the Syrian regime that European countries desire. In general, there is little evidence that such incentives work without a clear political strategy. In the case of Syria, the regime can also look elsewhere for financial packages that are more to its liking – for example to Russia, Iran and China.⁴⁷ Nevertheless, with a reconstruction

38 Rollins, T. (2017), *Decree 66: The Blueprint for al-Assad's Reconstruction of Syria?*, IRIN. Online: <https://www.irinnews.org/investigations/2017/04/20/decreed-66-blueprint-al-assad%E2%80%99s-reconstruction-syria> (Accessed 08/01/2018).

39 SANA (2017), *SYP 25 Billion Allocated So Far for Construction Contracts in Aleppo's Eastern Countryside*. Online: <https://sana.sy/en/?p=109793> (Accessed 09/01/2018).

40 SANA (2017), *Aleppo Governor, Indonesian Delegation Discuss Cooperation in Reconstruction Field*. Online: <https://sana.sy/en/?p=114330> (Accessed 09/01/2018).

41 NPR (2017), *In Ancient Syrian City, Fighting Has Stopped But Rebuilding Is Scarce*. Online: <https://www.npr.org/sections/parallels/2017/01/08/507376949/in-ancient-syrian-city-fighting-has-stopped-but-rebuilding-is-scarce> (Accessed 09/01/2018).

42 UNDP in Syria (2016), *Homs: When There is a Will, There is a Way*. Online: <http://www.sy.undp.org/content/syria/en/home/ourwork/povertyreduction/successstories/homs--when-there-is-a-will--there-is-a-way.html> (Accessed 08/01/2018).

43 Hauer, N. (2017), *To the Victors, the Ruins: the Challenges of Russia's Reconstruction in Syria*, Open Democracy. Online: <https://www.opendemocracy.net/od-russia/neil-hauer/to-victors-ruins-challenges-of-russia-s-reconstruction-in-syria> (Accessed 08/01/2018).

44 SANA (2017), *Supply of Heavy Machinery and Reconstruction Equipment Discussed with Russian and Chinese Sides*. Online: <https://sana.sy/en/?p=112435> (Accessed 08/01/2018).

45 Allen-Ebrahimian, B. (2017), *Syrian Reconstruction Spells Juicy Contracts for Russian, Iranian Firms*, Foreign Policy. Online: <http://foreignpolicy.com/2017/10/20/syrian-reconstruction-spells-juicy-contracts-for-russian-iranian-firms-china-civil-war/> (Accessed 08/01/2018).

46 SANA (2016), *Public Works Minister, UN-HABITAT Representative Discuss Rehabilitation of Damaged Areas*. Online: <https://sana.sy/en/?p=85360> (15/01/2018).

47 Stokke, O. (ed.) (1995), *Aid and Political Conditionality*, New York: Frank Cass, Crawford, G. (1997), 'Foreign Aid and Political Conditionality: Issues of Effectiveness and Consistency', *Democratization*, vol. 4, no. 3, pp. 69-108, Brett, E.A. (2016), *Explaining Aid (In)Effectiveness: The Political Economy of Aid Relationships*, LSE Department of International Development Working Paper No.16-176. Online: <http://www.lse.ac.uk/internationalDevelopment/pdf/WP/WP176.pdf> (Accessed 15/01/2018).

bill of at least \$200 billion, the regime will need more financial help than these countries are likely to offer.⁴⁸

The alternative to supporting regime-led reconstruction is staying at the sidelines until political reconciliation begins. This is the EU line so far. However, it should be kept in mind here that national reconstruction is not the aim of the Syrian regime. As Lina Khatib at Chatham House put it, ‘The Syrian regime is not interested in reconstructing the whole of Syria, but only the loyalist areas.’⁴⁹ Even if the conflict ‘ends’ with a total regime victory, this statement may well remain true and the structural urban issues that used to divide the country – such as socioeconomic inequalities, political privileges, mass atrocities and mass displacement – are likely to resurface, or even be actively promoted.

The 2017 ‘Supporting the Future of Syria and the Region’ conference in Brussels took the view that ‘reconstruction will be successful only in the context of a genuine and inclusive transition that benefits all the Syrians.’⁵⁰ In line with this view and considering the preceding analysis, European policy makers would be well advised to consider the following concrete steps if and when they decide to support urban reconstruction in Syria:

1. **Avoid – or at least mitigate – the structural socioeconomic inequalities and unequal government spending** that characterised urban housing policies

before 2011, since these were major sources of poverty and conflict. This brief suggests that regime-led urban reconstruction may well replicate the political-economic patterns that were at the heart of the mass mobilisations in 2011. By implication, mitigating this risk by focusing on marginalised groups or areas – from an urban housing perspective – may help reduce the longer-term risk of increasing urban poverty and renewed violence.

2. Specify what is meant by inclusivity and ‘all Syrians’. By **identifying which Syrians in which areas are likely to be left out of regime-led reconstruction**, an effort can be made to promote complimentary policies and programs in coordination with **local partners and charities**, which to an extent is already being done in area-based approaches such as that of the UNDP.⁵¹
3. Support efforts to **protect abandoned homes from destruction** in the absence of their owners, who may or may not be in possession of official documentation (which was not commonplace before 2011).⁵² This may, for example, include **the provision of legal aid for refugees outside Syria and internally displaced persons (IDPs)** in order to make them aware of their rights. Legal mediation with the Syrian state could be of help to people whose homes are in danger of demolition. This can be done either through direct mediation by European countries, or by supporting Syrian lawyers within Syria who are able to mediate on behalf of individuals and

48 Sengupta, S. (2017), *Help Assad or Leave Cities in Ruins? The Politics of Rebuilding Syria*, The New York Times. Online: <https://www.nytimes.com/2017/12/03/world/middleeast/syria-war-rebuilding-homs.html> (Accessed 08/01/2018).

49 Quoted in Allen-Ebrahimian, B. (2017), *Syrian Reconstruction Spells Juicy Contracts for Russian, Iranian Firms*, Foreign Policy. Online: <http://foreignpolicy.com/2017/10/20/syrian-reconstruction-spells-juicy-contracts-for-russian-iranian-firms-china-civil-war/> (Accessed 08/01/2018).

50 European Council (2017), *Supporting the Future of Syria and the Region: Co-Chairs Declaration*. Online: <http://www.consilium.europa.eu/en/press/press-releases/2017/04/05/syria-conference-co-chairs-declaration/#> (Accessed 08/01/2018).

51 UNDP in Syria (2016), *365 Days of Resilience Inside Syria: UNDP Syria Annual Report 2016*. Online: http://www.sy.undp.org/content/syria/en/home/library/UNDP_SYRIA_ANNUAL_REPORT_2016.html (Accessed 03/01/2018).

52 Norwegian Refugee Council (2016), *Briefing Note: Housing Land and Property (HLP) in the Syrian Arab Republic*. Online: <https://www.nrc.no/globalassets/pdf/reports/housing-land-and-property-hlp-in-the-syrian-arab-republic.pdf> (Accessed 08/01/2018).

groups.⁵³ Previous cases of international displacement and dispossession have demonstrated that once ‘changes on the ground’ are made, they become difficult to reverse. This is therefore a time-sensitive issue.

4. **Press for greater consideration of urban/housing accessibility issues in view of the substantial number of Syrians who live with a permanent disability** as a result of the war (including tens of thousands of amputees).⁵⁴ There is no evidence that regime-led urban planning is taking into account accessibility for these individuals, and European policy makers can press for more inclusivity on this front.




53 Norwegian Refugee Council (2017), *Reflections on Future Challenges to Housing, Land and Property Restitution for Syrian Refugees*. Online: <https://www.nrc.no/resources/briefing-notes/reflections-on-future-challenges-to-housing-land-and-property-restitution-for-syrian-refugees/> (Accessed 15/01/2018).

54 This important issue was pointed out to the author by Razan Ghazzawi, whose incomparable insights are always appreciated. Also see Handicap International (2017), *Syria: The Situation is Disastrous*. Online: http://www.handicap-international.us/syria_the_situation_is_disastrous (Accessed 08/01/2018).

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