

# With the Assad Regime Undaunted by Sanctions, Biden Should Consider Broader Regional Pressure

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Brief Analysis

On July 29, Wassim al-Qattan—a Syrian businessman who owns several Damascus-based companies and who received construction contracts to develop Syrian regime-owned malls and hotels around the city **celebrated on Facebook** ([http://facebook.com/story.php?story\\_fbid=3134187316663658&id=100002172606897](http://facebook.com/story.php?story_fbid=3134187316663658&id=100002172606897)) what he called his latest “National Medal.”

“How profound we feel today as we receive the third package of medals, in the national translation of the term ‘sanctions,’ he wrote. “[It is] a medal we share with a major institution that is active in the strength of our heroic army.” Qattan was referring to the regime and the businesses which support development and post-war reconstruction, if such a term can be used as the Syrian Civil War enters its tenth year.

His note of gratitude was in reference to his recent designation in the first round of Caesar Act sanctions from the U.S. Treasury Department, or what Qattan referred to as the “Treasury of Hate.” The message echoed the tone of a similar Facebook post from him in February, after the European Union levied sanctions against him along with other Syrian entities and businessmen.

Emboldening regime loyalists is precisely the opposite of what these sanctions were designed to do. The State Department asserts monthly that the administration’s goals in Syria remain unchanged: any pressure applied to the country is aimed at compelling Assad to a political end to the war through UN Resolution 2254. But the incoming Biden-Harris Administration, though likely to focus primarily on domestic issues, will also have an opportunity to reevaluate the efficacy of these recent sanctions.

Neither Caesar Act sanctions nor their executive order counterparts, innocuous as they’ve been, need replacing. They serve to ostracize legitimate partners who may otherwise be interested in engaging with the Assad regime, which is attempting to rehabilitate itself back as an internationally recognized government.

What needs reimagining is U.S. cooperation with regional partners, and the United States needs to step back from attempting to directly force the hand of the regime, given that the option for persuading Assad has long since passed. Neither sanctions nor the promise of lifting them alone will incur positive change. On the other hand, empowering and strengthening regional partnerships will squeeze the regime faster and embolden the populace that began earnestly in 2011 to spark the change now desired by the United States and the UN.

A review of the various tools that remain at the next administration’s disposal can better position the United States to deter

further investment in Syria by pressuring and assisting the country's neighbors. The Biden administration will also have an opportunity to cultivate more relationships "by, with, and through" which it could pressure Assad to a resolution to the conflict. Understanding the current weaknesses of the Caesar sanctions helps to highlight the importance of these regional partnerships and the reasonable expectations for a best case scenario in Syria today.

### **The Rationale of Sanctions**

The Caesar Act—named after a government military photographer who fled the regime and brought with him 50,000 photographs documenting horrific abuses and killings by the Bashar al-Assad government—was signed into law in December 2019 and implemented on June 17 amid a global pandemic. The sanctions have been touted by the Trump administration as a major win against the Assad government, and every few weeks the Treasury Department announces several new individuals or institutions who join a growing list of those targeted in an attempt to starve the regime of its financing.

The Caesar Act can target anyone, regardless of state or affiliation, suspected of operating to benefit officials of the Government of the Syrian Arab Republic through industries like oil, aviation, technologies or other services, while the executive orders allow the president to sanction non-U.S. individuals and institutions that deal with Syrian entities that have been placed under U.S. sanctions.

But rarely do those entities most responsible for the regime's continued control make the Caesar list: [to date, eleven entities have been sanctioned under the act, along with four individuals \(https://sanctionssearch.ofac.treas.gov/\)](https://sanctionssearch.ofac.treas.gov/), including Qattan. Questionable decisions have also been made with implementation. Sanctions announced as a deterrent for businesses applied to the son and wife of Assad (neither of whom have any real business entities) while neglecting a regime-affiliated businessmen who is known to have trafficked [more than 14 tons of amphetamines into Italy \(https://www.occrp.org/en/daily/12736-assad-regime-implicated-in-massive-captagon-bust\)](https://www.occrp.org/en/daily/12736-assad-regime-implicated-in-massive-captagon-bust).

One of the act's additional stated goals was to encourage other nations to limit their financial cooperation with Syria. Even so, the effects of the recent sanctions on the Assad regime itself have been limited as these individuals were already sanctioned by the United States and the European Union prior to the implementation of the Caesar Act, which automatically blacklists members of the Syrian government. In contrast, the impact on the overall Syrian economy is real, with Syrian citizens suffering as a result.

While the soft power approach keeps U.S. soldiers out of harm's way and the U.S. footprint in Syria to a minimum, sanctions have consequences alongside preventing actors intent on participating in the broader global economy from working with Assad. These side effects are currently impacting the broader goals of the State Department in Syria while concurrently harming the Syrian people.

Moreover, both of these efforts fail to account for a broader scheme that allows for the continuing comfort of Assad and his cronies. Institutions benefiting the Syrian people, such as banks and humanitarian groups have gone hobbled but undeterred. However, a person living in government-controlled territory told me that the sanctions are worsening an already dismal humanitarian situation. Electricity, for one, will be cut to four hours by next month because of ongoing external pressure.

This Syrian individual saw the U.S. government and its allies' policy of sanctions as misguided, as it suggests that Assad and the Syrian government will, with enough pressure on Syria's domestic economy, seek what is best for their constituents and reconcile with the international community. That would first require the government to care for its people—which it has already demonstrated it does not.

### **Playing into Assad Propaganda**

This is not to say that the United States has not made efforts to avoid harming humanitarian assistance to Syrians through sanctions. U.S. officials note that they made sure to include provisions for aid throughout the country and thus the sanctions could not be held to account for Syrian food shortages, gas shortages, or even the collapse of the Syrian Lira, which has lost more than two thirds of its value since spring.

But Assad and regime officials are eager to blame the sanctions—both recent and longstanding—for Syrian suffering, pointing to the west rather than the regime's own governance failures for Syria's dire economic straits. This narrative, though deeply flawed, could be effective, as few Syrians can easily access the content or clear description of the sanctions' intentions. The

Assad regime has taken to limiting the funds available for use by humanitarian organizations to further their narrative of sanctions shrinking humanitarian aid in Syria.

Regardless of the origin of these limits on humanitarian organizations, they are deeply concerning as help is sorely needed. The distribution of governmental food baskets has doubled in the past year, responding to a situation where 28 percent of Syrians are unemployed and a steep 80 percent live in poverty, <https://reliefweb.int/report/syrian-arabpublic/syria-review-impact-rising-foodprices-food-security-update-march2020#:~:text=Food%20prices%20in%20%20Syria%20increased,food%20items%20%20have%20also%20increased>

. The timing of the sanctions, then, does appear to be targeting Syrians during an already tragic humanitarian crisis. And though both houses of Congress worked to avoid the style of sanctions that ravaged Iraq in the lead-up to the Iraq War, the sanctions can easily be seen as displaying the same callousness towards an already war-torn people. As a U.N. Economic and Social Commission for Western Asia [report \(https://publications.unescwa.org/projects/saw/sdgs/pdf/en/Syria-at-War-8-years-on-Report-Final.pdf\)](https://publications.unescwa.org/projects/saw/sdgs/pdf/en/Syria-at-War-8-years-on-Report-Final.pdf) put it: “Blanket economic sanctions have negatively affected the economy and had an impact on ordinary people, diminishing the capacity to fulfill basic needs and meet urgent humanitarian concerns.”

Meanwhile, the Assad regime’s grip on the areas it controls has only benefited from the desperation of the Syrian people, wearied by near-famine and a banking crisis that until recently closed the country’s ATMs. Wildfires have devastated farmers’ citrus trees and an ongoing inability to purchase wheat has pushed civilians back into the arms of the regime, which sells subsidized bread.

This is not to say that Syrians can’t recognize the Assad regime’s propaganda for what it is. In the city of Nawa, the distribution of bread is being prioritized for Assad’s soldiers. As one resident put it, “The army is first, and if we get bread or not it does not matter, because we are not children of this country.” But even this displeasure with the government won’t lead to civil action when day laborers, who make up the majority of country’s work force, must work up to three jobs for a chance to purchase that bread or cooking gas. This desperate situation has also made it easy for regime allies to double down on their support by claiming that they are helping the Syrian people.

Even if the Assad regime were not using sanctions as a propaganda tool, the premise of sanctioning the state does not seem to adequately grapple with the state’s already isolated economy. Sanctions will not have the same efficacy on the Syrian state apparatus itself as with other countries. Syria was never tied into the global economy, and there is scant evidence to suggest sanctions are driving a wedge between the regime and its most important allies in Moscow and Tehran.

Nor have sanctions adequately deterred business from Russia, Iran, and other Arab allies. Trade agreements are in fact becoming increasingly public, with MOUs frequently signed between the allies. In contrast, sanctions may be able to cool potential cooperation with China, though the trade giant has previously demonstrated little desire to become embroiled in the geopolitical sideshow of Syrian investment.

And in cases where legitimate actors are deterred from economic relations with Syria, unofficial channels are still operational. Turkey has taken to using its territory in the northeast to operate a black market for fertilizer, cotton, and wheat, selling through Kurdish channels the necessities that inevitably reach regime-held areas. The Turkish government has also allocated its territory to the importation of cars and trucks through Aleppo.

Assad is really hurting at present only in Lebanon, where upwards of \$20 billion in Syrian deposits are frozen—not through sanctions but through Lebanon’s own economic crisis, which levied strict control over withdrawals. The borders between the countries also present unfettered black-market trade that sanctions cannot touch, another boon to the Syrian economy.

“Sanctions aren’t a good bargaining chip,” one regional analyst told me, noting that military pressure is “the only leverage that Damascus understands.” He added that on this front, “The Kurds can resist pressure from Damascus. The longer the Kurds and northeast Syria are free from Damascus, the more difficult it will be.”

### **Expanding Efforts**

It is true that an U.S. presence in Syria seems unlikely to last following the Acting Secretary of Defense Christopher C. Miller’s note to staff that “we gave it our all. Now it’s time to come home.” This message was echoed by the former special envoy to

Syria James Jeffery, who resigned earlier this month. In leaving, Jeffery noted that U.S. policy in Syria would not change, no matter the incoming administration.

Yet helping regional allies—by working to remove Turkey from the territory it currently occupies in the Kurdish northeast, doubling-down on relief efforts to Lebanon, and reaffirming commitments to Jordan to counter the business interests it has shown in Syria—would hurt the Assad regime in its regional connections, which continue to play a vital role in the country's isolated economy and benefit the Assad regime.

Even so, the Biden-Harris Administration can rethink the short-term wellbeing of those who face the real brunt of U.S. sanctions while a longer-term solution is sought. Despite an apparent confidence within the current administration that prompting an economic crisis will lead to the Assad regime's fealty to western powers, changing the regime's behavior is a lost cause. Looking to Syria's neighbors and offering support to Turkey, Lebanon, Iraq, Northern Iraq in exchange for broader regional pressure on the Assad regime may not only yield the secession of the Assad regime, but also more closely align with U.S. moral and diplomatic objectives in the region.

A more certain future for the region requires a strategic vision that reflects the complicated multinational conflict. Until then, the Syrian people will continue to suffer. ❖

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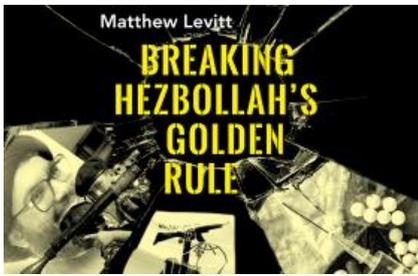
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