

Syria & reconstruction business: Decree 66 and the Impact of its National Expansion

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Ongoing discussions regarding the now famous Syrian legislative law, Decree 66, continue and its recent expansion and approval by parliament in January 2018, is waiting to be officially implemented to the rest of the country. [1]The possible expansion of Decree 66 could have important consequences on the reconstruction process and the consolidation of the political and economic power of the regime through crony capitalist linked to it, while providing foreign allies with a share of the market to reward them for their assistance.

Initially the decree promulgated by Bashar Al-Assad allowed the Damascus governorate to expel the populations of two large areas in Damascus, including Basatin al-Razi, in the district of Mazzeh—a residential area near the presidential palace and Kafr Soussa—where the development of the high-end real estate project of Marota City is under construction. The second area includes Qanawat, Basatin, Daraya, and Qadam and is approximately 880 hectares (2,174 acres), or 10 percent of the area of Damascus. The evacuation of its inhabitants is announced for 2018. The inhabitants of these areas are mostly working and lower middle class, who previously lived in rural areas and migrated to the city. This decree, according to the Syrian authorities, is aimed at improving the living conditions of the inhabitants by eliminating properties built informally and replacing them with comfortable and modern properties. However, the decree selected two areas that supported the opposition while areas inhabited by regime supporters, and where housing conditions are not better off, were left intact.

Decree 66 is inspired by some aspects of a 2007 Damascus Master Plan not implemented due to the popular uprising in March 2011. This area was and still is considered as an immensely lucrative real estate opportunity due to undeveloped farmland and informal housing; some within walking distance of the center of Damascus. [2]

Programs on reconstruction plan to build 12,000 housing units for about 60,000 people, targeting mainly high-income households in the neighborhoods of Basatin al-Razi, renamed “Marota City.” The reconstruction process includes schools and restaurants, places of worship; even a multi-story parking structure, and a shopping center. According to the Syrian authorities, 110,000 job opportunities and 27,000 permanent jobs will be created by this project. [3]

The development of the residential projects that could be built in areas under Decree 66 would actually be carried by holding companies owned by governorates or municipalities, but the construction and management of the projects would likely be contracted to private sector companies owned by well-connected investors.

In the case of Marota city’s project, several new business figures have appeared that developed close links with the regime. The most important rising figure is Samer Foz, who, throughout the war, became one of the country’s most powerful businessmen. [4]He is the son of a former Sunni member of the Baath party in Latakia during the 1970s, and his father was very close to Hafez al-Assad.

Other business figures and organizations have also benefited from lucrative contracts with Damascus Cham Holding, which will undertake the management, construction and investment works of this area: Mazen Tarazi; Talas Group, owned by businessman Anas Talas; Exceed Development and Investment Company, owned by private investors Hayan Mohammad Nazem Qaddour, and Maen Rizk Allah Haykal.

The total investments already exceed the hundreds of millions of dollars in the project of Marota city.

The city of Homs might be the next scene of similar investments. The reconstruction plan in Homs focuses on three of the city's most destroyed districts—Baba Amr, Sultanieh and Jobar—and will rebuild 465 buildings, able to house 75,000 people, at a cost of \$4 billion, according to Homs' governor. The new urbanism plan has taken inspiration over the past "Homs Dream" project directed by the former governor of Homs, Mohammad Iyad Ghazal. [5] He was dismissed by Bashar al-Assad at the beginning of the demonstrations in 2011 because he was a major part of grievances by protesters in Homs city. This project was announced in 2007 by Mr. Ghazal who planned the destruction of parts of downtown to rebuild more modern buildings and skyscrapers. This urban plan was presented at the time as an opportunity to embrace modernization and urban improvement, but was rejected by important sectors of the local population. For example, the project did not guarantee residents the right to stay in the traditionally middle-class neighborhood. [6] Instead, the municipality had suggested alternative housing in another neighborhood or "financial compensation," which raised fears that the master plan would result in a form of gentrification and prevent residents from returning home.

Many inhabitants from Basatin al-Razi, in the district of Mazzeh, have complained over the years of reconstruction plans announced by regime or pro regime media and the absence of suitable alternative housing, lack of any housing, and unaffordable alternatives. - [7] While others, now refugees and living outside the country, have not received any form of compensation for their property taken over by the state. The possibility of housing provided for original inhabitants affected by the Marota project is very low.

In addition to these problems, the return of civilians to areas affected by current reconstruction processes is more difficult because of various measures requested by the different regime's security institutions. An individual first has to possess the necessary documents to access their destroyed property. The war demolished many Syrian land registries, including at the deliberate initiative of pro regime forces in some recaptured areas of the country such as Zabadani, Daraya, and Qusayr, in addition to Homs, making it complicated for residents to prove home ownership. [8] According to approximate prewar estimates by the Ministry of Local Government, only about 50 percent of land in Syria was officially registered. [9] Another 40 percent had boundaries delimited, but had not yet been registered. The multiple land registries were paper-based and often not properly stored.

In addition, a significant section of displaced people have lost their ownership documents or lacked them in the first place, according to Laura Cunial, a legal and housing expert at the Norwegian Refugee Council (NRC). [10] Nearly half of Syrian refugees surveyed by the NRC and the United Nations refugee agency (UNHCR) said that their home had been destroyed or damaged beyond repair by the war, while only 9 percent had their property title deeds with them and in good condition, according to the survey published in 2017. Wide sections of those refugees actually came from informal areas, which represented around 40 per cent of all housing units in Syria- where property records were often absent. Analysts estimated that it was likely that more than 2 million lawsuits by Syrians to seek restitution for lost and damaged property could be filed at the end of the conflict. Property restitution is a right under international law. [11]

However, even those who had the necessary documents often find it difficult to access their properties. The process of entry into the areas controlled by the regime often required obtaining entry permits from various branches of security to cross checkpoints. This process involves blackmail, bribes, and potential detention. If a resident received a security clearance to enter the city, another permit is required before the reconstruction of a destroyed house can begin. Residents were also required to pay electricity, telephone, and water bills for the years of absence during the war, which equated to nearly 50 percent of the cost of these assets. [12]

Not to mention opposition activists and supporters not likely to return out of fear of detention and torture or who do not see any possibility of compensation by the regime because of their political activities.

By allowing the destruction and expropriation of large areas, Decree 66 and its national expansion can be used as an efficient instrument for rapid and large development projects that will benefit regime cronies, while at the same time operate as a mechanism for punishment against populations known for their opposition to the regime. They will most probably be replaced with higher social classes and new elites of war, who are generally less inclined to rise up against the regime.

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P.S.

* Atlantic Council. March 7, 2018:

<http://www.atlanticcouncil.org/blogs/syriasource/decreed-66-and-the-impact-of-its-national-expansion>

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Footnotes

[1] https://twitter.com/syrian_law/stat... Decree 66, which entered into law as of September 2012, allowed the government to "redesign unauthorized or illegal housing areas" and replace them with "modern" real estate projects with quality services. [[
<http://www.champress.net/index.php?...> <https://www.sana.sy/?p=683277>

[2] <https://www.irinnews.org/investigat...>

[3] <https://www.sana.sy/?p=683277>

[4] <https://www.eqtsad.net/news/article...>

[5] <https://www.youtube.com/watch?v=Vxo...>

[6] <https://www.newsdeeply.com/syria/ar...>

[7] <https://www.youtube.com/watch?v=HKS...>[><https://www.youtube.com/watch?v=uhOENhG7CZc>]
[Zc] <https://www.youtube.com/watch?v=5r8...>

[8] [<https://www.theguardian.com/world/2017/jan/13/irans-syria-project-pushing-population-shifts-to-increase-influence>]

[9] <https://www.brookings.edu/blog/futu...>

[10] [<https://www.reuters.com/article/us-syria-landrights-restitution/syria-faces-2-million-lawsuits-over-lost-and-damaged-property-experts-idUSKCN1GB300>]

[11] <https://www.reuters.com/article/us-...>

[12] <https://www.newsdeeply.com/syria/ar...>