

Daher: The progressive economic strategy for Syria

Friday 20 December 2024, by [DAHHER Joseph](#) (Date first published: 18 December 2024).

After Assad, any alternative economic plan that will benefit all Syrians is likely to come from a progressive & organised base, not HTS, argues Joseph Daher.

Following the fall of Assad's regime, Syria's future is filled with many challenges, particularly regarding its economic recovery and re-development. Already, the [cost of reconstruction](#) is estimated to range between \$250 billion and \$400 billion, and sanctions still constitute an obstacle to things improving any time soon.

It may take some time before sanctions are lifted because whilst Hayat Tahrir al-Sham (HTS) is the key military and political actor in today's Syria, they are still categorised as a terrorist organisation by many powers including the US, UN, European states, and Turkey. Despite a change in the approach to HTS by regional and international capitals, these states will probably demand guarantees to the new ruling actor.

Uncertain and unstable time

The absence of a secure and stable economic situation in Syria is a severe obstacle to boosting local and foreign investment. Foreign direct investment (FDI) has indeed remained limited and mostly restricted to Iran and Russia since 2011. Whilst the Gulf could be interested in making some investments in the country to increase its influence, the role that HTS is currently playing may be an obstacle to this as it is perceived negatively by numerous regional states.

The UAE diplomatic adviser to president Sheikh Mohamed, [Anwar Gargash](#), for instance stated that "the nature of the new forces in power and their affiliations with the Muslim Brotherhood and Al-Qaeda are quite worrying indicators".

Furthermore, the instability of the Syrian pound is a significant issue. While in the aftermath of the fall of the regime its value on the black market massively increased, before stabilising at [15,000 SYP for a USD](#), there is a long way to go. The lack of stability of the SYP erodes the attractiveness of potential rapid and medium-term returns and profits on investments in the country.

Moreover, there are questions regarding the regions in the northwest that have been using the Turkish lira for several years now, in order to stabilise markets damaged by the severe depreciation of the SYP. To reinstate the Syrian pound as the main currency in those areas could be problematic if no stability is achieved.

Work but no money

At the same time, infrastructures and transport networks are severely damaged. The high cost of production, shortages of key commodities and energy resources (particularly fuel oil and electricity) are additional problems. Syria also suffers from a shortage of qualified manpower, and it is not yet

clear whether those who hold the skills will return.

Even the private sector, which is mostly composed of small and medium scale enterprises with limited capacities, still requires much modernisation and rebuilding after more than 13 years of war.

At the same time, state resources are severely restricted which also limits investments in the economy, particularly in the productive sectors.

Additionally, [90% of the population is living under the poverty line](#), which makes their purchasing power very weak, and therefore negatively impacts internal consumption. Because whilst Syria is not short of jobs, people are not paid enough to meet their daily needs. In this context, Syrians have been depending more and more on remittances to survive.

[Some officials of the new government](#), like Ahmed al-Sharaa (Abu Mohammed al-Jolani), announced that they would be working to raise workers' wages by [400% in the coming days](#), making the minimum salary SYP 1,123,560 (approximately \$75). While this is a step in the right direction, this wouldn't be adequate for people to cover their needs during the continuing cost of living crisis. Indeed, media outlet [Kassioun estimated](#) in October 2024 that the average cost of living for a Syrian family consisting of five individuals in Damascus reached SYP 13.6 million (approximately \$ 1,077). The minimum reached SYP 8.5 million (approximately \$673).

On top of all of this, the influence of foreign powers in Syria is still a source of threat and instability, as [Israel's latest invasion](#) and continuous destruction of military infrastructures has demonstrated. Not forgetting Turkey's constant attacks and threats to the north east of Syria, particularly in Kurdish majority inhabited areas.

Lack of alternatives

One of the biggest issues amidst the sea of uncertainty in the country, is the lack of alternative political economic program amongst the majority of leading political actors, including HTS.

HTS has no alternative to the neoliberal economic system, and similar to the dynamics and forms of crony capitalism that existed under the previous regime, the group is likely to develop these practices amongst business networks (comprising of old and new figures). In previous years, the Syrian Salvation Government (SSG), HTS' civil administration in Idlib, has favoured the development of the private sector, and close business associates to HTS and al-Jolani.

Meanwhile, most of the social services - particularly health and education - were provided by NGOs and INGOs.

[Bassel Hamwi](#), the president of the Damascus Chamber of Commerce, said that after the fall of the regime the new Syrian government appointed by HTS told business leaders that they would adopt a [free-market model](#) and integrate the country into the global economy. Hamwi was "elected" to his current position in November 2024, a few weeks before the fall of Assad. He is also the president of the Federation of Syrian Chambers of Commerce.

Representatives of various economic chambers of the old regime still occupy their positions. Ultimately, this neoliberal economic system mixed with HTS' authoritarianism will likely lead to socio-economic inequalities and continued impoverishment of the Syrian population, which were some of the main reasons for the 2011 uprising.

The new Minister of Economy affiliated with HTS reiterated this neoliberal orientation a few days after [saying](#) that "we will move from a socialist economy...to a free competitive economy".

Regardless of the complete fallacy of describing the previous regime as socialist, the class orientation of the minister was clearly reflected in the emphasis that “[the private sector... will be an effective partner and contributor to building the Syrian economy](#)”. No mention was made of workers, peasants, public state employees, or of any trade unions and professional associations in the country’s future economy.

Similarly, a reactionary statement by HTS officials regarding women’s role in society has also been made, including regarding their ability to work in some sectors. For instance, in an interview on December 16, [Obeida Arnaout](#), HTS member and spokesman for Political Affairs of Command of Military Operations (CMO), stated that women’s “roles must align with what women can perform. For instance, if we say that a woman should be Minister of Defence, does this align with her nature and biological makeup? Undoubtedly, it does not”.

Ultimately, the process of reconstruction is connected to the social and political forces that will participate in the future of the country, and the balance of power between them.

The fall of the regime opens a space that is filled with challenges and contradictions. Looking at HTS and SNA’s policies in the past, they haven’t encouraged a democratic space to develop, quite the opposite. HTS is particularly seeking to consolidate its power on the country, as the appointment by al-Sharaa of a caretaker government composed of the same party’s men of the SSG in Idlib or the nomination of governors for various regions affiliated with HTS demonstrate.

A democratic and progressive bloc

In the end, only the self-organisation of popular classes fighting for democratic and progressive demands will pave the path towards actual liberation. Of course this will depend on the overcoming of many obstacles from war fatigue, to poverty, and social dislocation.

To advance demands such as democracy, social justice, equality, Kurdish self-determination, and women’s liberation in order to build solidarity among the country’s exploited and oppressed, Syria’s progressives and democrats will have to build and rebuild popular organisations from trade unions to feminist movements, community groups, and national structures to bring them together. In this context, the construction of autonomous and mass labour organisations will be essential to improving the living and working conditions of the population and more generally to struggle in favour of democratic rights and an economic system based on social justice and equality.

The hope for a better future is in the air following Assad’s downfall, but an economic revival remains an important challenge for the improvement of Syrians’ lives. International assistance will be needed to tackle the structural economic problems, but also a change in Syria’s future political economy in the long term is also needed in order to avoid repeating past mistakes. This is all connected to Syrians’ ability to rebuild struggles from below. At least now, the opportunity for this exists.

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