

US Launches New Round of Sanctions Targeting Syrian Regime



Featuring Nicholas Heras and John Dunford

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The Syrian Civil War is well into its ninth year and shows little sign of ending. The US recently deployed a new wave of sanctions targeting the Syrian Regime. Meanwhile, Russia, Turkey, and Iran are actively interfering with the UN peace process by running their own competing negotiations. In this episode of Overwatch, ISW Middle East Program Manager Nicholas Heras and Syria Research Assistant John Dunford discuss these efforts and the complex webs through which they interact.

Jacob Taylor:

This is Overwatch, a podcast by the Institute for the Study of War. I'm Jacob Taylor. The Syrian civil war is well into its ninth year and shows little sign of ending. As the conflict grinds on the US, Russia, Turkey, Iran, and other international players have each developed their own desired resolutions and deployed competing efforts to realize them. ISW Middle East Program Manager, Nicholas Heras and Syria Research Assistant, John Dunford are here with me today to discuss these efforts and the complex webs through which they interact. Nick, John, thank you for being here today.

Nicholas Heras:

Thank you very much, Jacob. It's a pleasure.

Jacob:

Russia, Turkey, and Iran recently held a meeting to discuss the Syrian conflict. Can one of you tell us about this meeting and the format under which they met?

John Dunford:

Yes, Jacob, I'm happy to take that question. Russia, Turkey, and Iran held the latest round of the Astana talks on July 1st. The Astana process is a rival political process to the UN led Geneva process under UN Security Council Resolution 2254. Russia, Turkey, and Iran launched the Astana process, following the fall of opposition held Aleppo city in December 2016. The first meeting was in January 2017 and since then the three countries have met several times a year at the ministerial and at the presidential level, at which this most recent round of talks was that July 1st was the first time the three presidents had met under the assigned format since September 2019. However, there had been a ministerial level meeting between September and now.

Jacob:

Thanks, John, what has the latest round of Astana talks achieved?

John:

The Astana talks allow Russia, Turkey, and Iran to discuss the situation in Syria, as well as make deals with regards to their next steps forward. Given that these deals are not always announced, we will likely not know the full scale of the agreements reached until we can observe indicators of these deals that as they play out on the ground.

Jacob:

Understood, obviously it's difficult that these deals are not having their details publicized, but do we know of any tangible agreements or statements that have come out of the talks that maybe give us an indication of what might be in some of these deals? Either ones that may have been passed already in secret, or that may be coming down the pike?

John:

Sure, Jacob. So it's customary for Russia, Iran, and Turkey to release a trilateral statement after each of the meetings. So we can get an idea of some of the things that they discuss from that statement, which they did after the July 1st meeting. So on the July 1st statement, they stated a number of different things, both repeating previous language that they have used as well as giving an idea of some of those topics of conversation. So some of the things that they openly condemned included, Israel's ongoing air campaign inside of Syria that is targeting Iranian proxies as well as Iranian infrastructure inside of Syria. They rejected the Kurdish-led Syrian democratic forces as an illegitimate self-rule initiative and agreed to coordinate on stabilizing Northeast Syria, where the SDF operates. They also importantly rejected unilateral sanctions, likely in reference to the recent sanctions that the US announced under the Caesar act. And they also announced support for the constitutional committee that will meet under the UN process in August.

Additionally, they condemned the US stance on the Golan Heights and agreed that in addition to the next Astana meeting, they also want to hold a tripartite summit between the three presidents in Tehran. Now we don't know when that is going to be, but we will likely see over the coming months statements regarding that tripartite summit, that will happen between these three countries, but outside of the traditional Astana meetings.

Nicholas:

Thank you, Jacob. I just figured I'd come in here with a couple of other thoughts. I think John is spot on and how he describes what has come out of this recent Astana meeting. The Astana process has really turned into a Frankenstein's monster of a diplomatic dance where Russia, Iran, and Turkey seek to send the message that they are the only foreign actors who will determine the future of the Syrian conflict on the ground. And we can tell from the trilateral statement coming out of this latest Astana meeting where John as detailed for us, that Russia, Iran, and Turkey touched on issues, whether it's Southwest Syria and the Golan Heights, US support for the Syrian democratic forces coalition, the US led sanctions regime and others that they are beyond the ability of either of these three countries to control without the US first degree into their position, which is unlikely.

So I think that was most relevant about the Astana process is that it provides Russia and Iran with a prestigious forum to try to entice Turkey, which is a key NATO ally of the United States. And also the most important backer of the Syrian armed opposition that's remained in the conflict to turn away from the US build consensus against renormalizing the offside regime and toward a grand bargain that witnesses, Turkey trading away opposition held areas Northwest Syria piece by piece in exchange for a Russian and Iranian lesson for Turkey to act against Kurdish militants in Syria were backed by the United States.

Jacob:

So how does this process relate to the United States own efforts to push the UN led diplomatic process forward? I believe John, you mentioned that this Astana process is a competing process with that.

John:

Sure, Jacob. So when the Astana process initially began, it formed as a rival to the UN process and it formed to allow Russia, Iran, and Turkey to make deals about the future of Syria outside of that UN led process. Now, as you mentioned, the US is pushing for the UN led process to move forward. As part of one of the US's three core strategic objectives inside of Syria, those being the implementation of the UN Security Council Resolution 2254, more commonly referred to as the sort of Geneva process, the other shoe or the enduring defeat of ISIS, and also the removal of all Iranian commanded forces from Syria. So while the Astana process did begin as a rival process, Russia, Iran and Turkey have also used it to set conditions inside of the UN peace process in a way that is actually favoring Syrian, President Bashar al-Assad as well as Russia and Iran.

Jacob:

And is that effort working out for specifically Russia, or are they getting what they wanted out of the process so far?

John:

So the Astana process particularly allowed Russia and the regime to create conditions in the UN process that are favorable to the regime. And the way that they did this was through the creation of the constitutional committees that are operating under UN Security Council Resolution 2254, with the objective of either rewriting or making edits to the Syrian constitution. Now, Russia leveraged its role to create committees that are favorable to the Assad regime and because of that, the constitutional committees have struggled to make progress due to the way that they are currently comprised. Now, the committee has agreed to meet again at the end of August, and this will occur under the facilitation of UN special Envoy Geir Pedersen. And that's actually, that meeting was referenced in the trilateral statement by Russia, Iran, and Turkey, in which they support the committees, being able to meet again, as Russia knows that it holds a strong hand in the next meeting of those committees.

Jacob:

And then on the other side is the Astana process actually impeding the US backed efforts to reinvigorate the UN side of the diplomatic process?

John:

By playing a major role in the formation of these committees, Russia has created the conditions that allow it to dictate the terms of how the UN process will move forward. So what we have seen in the past is the pro-regime committee, either delay meetings, or refuse to reach sort of small agreements over the topics of discussion at these meetings. What we can watch for now moving forward is Russia and the regime allowing minimal political progress at the UN as a way to try to gain international support for the Assad regime. US policy in Syria is focused on maintaining the international isolation of Assad. And so Russia will likely try to break this isolation through sort of limited political progress inside of the UN talks.

Nicholas:

I just want to build on what John cogently lays out, because it's clear the Russians are trying to box the US out of Syria, diplomatic deal by diplomatic deal, while reinforcing the Assad regimes position as a UN recognized government of Syria to ensure that all UN led initiatives in Syria are done on Assad's terms, no one else's terms. Russia has slowly and steadily worked to erode the international consensus against renormalizing the Assad regime that the US is trying to maintain it. And Russia is trying to do the same with this UN process based on UN Security Council Resolution 2254. The big battle for the soul of the UN processes is in fact, whether the Assad regime can continue to be considered the legitimate sovereign authority in Syria and therefore in control over the command and heights of international humanitarian assistance, that's provided through the UN. Russia says, yes, the Assad regime should be considered the sovereign authority of Syria. Whereas the US says, no, it shouldn't be, unless there are big changes in the regime's behavior and UN Security Council Resolution 2254 successfully implemented. It's a battle of Titans in the UN between the US and Russia.

Jacob:

Now, since you bring up authority and legitimacy with regard to the Syrian regime, can we get an overview of where we are right now with regard to the state of play inside the pro-regime areas of Syria? What are the conditions there at the moment?

John:

Yeah, Jacob. So the last time we spoke on this podcast about Syria, we discussed that the Syrian economy was in a fairly dire position, and this was prior to the US enacting any new sanctions on regime entities. Now there is a multitude of factors that were playing out and that are continuing to play out, and these are all contributing to the economic collapse. So these factors include a significant devaluation of the Syrian pound, the economic crisis in Lebanon that is affecting the Syrian economy, general corruption within the regime, weak fiscal policy from the regime that is preventing it from really making any major headway in adding value to the pound, as well as cases of internal regime feuding between Assad and some of his prominent backers.

Jacob:

So, fair enough that those problems pose a significant problem for the regime, but what do they mean for the civilian population in Syria?

John:

The situation in regime-held Syria is not good for the civilian population. The devalued pound is making it very difficult for civilians to purchase food. In addition to other commodities, they're in short supply, what we were looking at is actually even UN warnings that Syria is on the verge of famine. And this is something that we really need to take into account as the humanitarian situation and that the impacts of the economy and its downfall are also affecting civilians in regime-held Syria.

Jacob:

Feel free to set me straight on this. But my understanding is that even the most targeted sanctions are fairly broad instruments, that if they're going to have any effect on something as substantial as the Syrian regime, they are inevitably going to have effects on the civilian population as you have laid out. With that in mind and given that there, I would assume there isn't any desire in the US to cause additional unnecessary suffering for the Syrian population. Are we seeing any signs that the Caesar sanctions are actually working with regard to their intended effect of limiting the regime's power?

John:

The US did enact a new set of sanctions as you noted, Jacob. We saw the US Department of State and US Department of Treasury announce the designation of 39 entities in mid-June. Many of these entities were already designated by the US and EU, and nine of those entities were actually designated under the authorities related to the Caesar act. Those nine entities were particularly involved into luxury reconstruction projects in Syria. And given that we anticipate seeing additional sort of waves of sanctions coming throughout the summer is difficult to say that the sanctions so far are showing signs of working, that these particular ones that were recently announced, but rather will have a better answer to that question as additional sanctions are enacted throughout the summer.

Jacob:

What about behavioral changes? Do we see changes by the regime or organizations linked to the regime as a result of these sanctions, separate from tangible effects of the sanctions, are, do they appear to be prompting a preemptive change in behavior by those organizations?

John:

We have seen some small signs that there are some companies inside of Syria that are concerned about these sanctions affecting them. So for example, we have seen reports of concern and amid some Lebanese companies, one Lebanese company that operates ATM's inside of Syria, which have reports that they have pulled some of their services out of fear of being sanctioned. So, we have seen some small instances like that. We haven't necessarily

seen major behavior changes from the regime, but that is something that we will be watching for. As I mentioned before, as more sanctions are rolled out and as the US increases more pressure in order to achieve its goal with these sanctions, which is to push Assad towards participating in the UN political process in a legitimate way.

Jacob:

I believe you started to touch on this a moment ago, but who exactly did this round of sanctions target?

John:

The nine designations that were done, so under the Caesar authority, targeted individuals and entities that are involved with two luxury reconstruction projects in Damascus. The intention like they being to ward off foreign investment in these types of projects, as well as similar luxury reconstruction projects in Syria. The other sanctions, as I mentioned, there were 39 of them, included designations of the Assad family, including Assad's wife, Asma al-Assad, as well as other regime backers, such as Mohammad Hamsho, who was a major regime businessman as, involved in a lot of the regime's contacts with countries in the region on renormalizing ties with the Assad regime.

Nicholas:

So I think the one that dynamic that we need to keep an eye on is that the Caesar sanctions ultimately are designed to prevent the Assad regime from winning the war over the aftermath of the war in Syria. And the only way for the regime to achieve this victory is if Russia and Iran continued to maintain a coordinated strategy for the aftermath of the conflict that allows both of these countries, Assad's key allies, to profit from Syria.

Jacob:

I think that brings us back to the big question of today, which is, will the sanctions achieve that goal? Will they prevent Russia and Iran from profiting from Syria? And if so, would that potentially lead to a withdrawal of their support for Assad on the various knock-on effects that could cause?

Nicholas:

We need to remember that the Assad regime is running a mafia state that benefits only the narrowest of elite interests within the regime. Now that the Caesar sanctions have come online, the Assad regime elite needs state active partners, profit, and Russia, and Iran, and possibly China too, are already involved in the regime's racket scheme. Russia and Iran are key to the Assad regime elite maintaining enough financial power to pay enough gunmen and their families to support the regime and pose a terrorist state on loyalist and former opposition areas. It's that simple.

Caesar sanctions are meant to close off the Russian and Iranian pathway for the Assad regime elite to benefit from the conflict and any enablers that would provide Russia and Iran with a pass through circumvent sanctions, such as some of the Gulf Arab countries. The secondary effect of Caesar sanctions would be to drive a wedge between Russia and Iran. With the assumption that Russia is seeking to maintain an internationally improved indefinite military presence in Syria, and that the Russians would be willing to make trades that would undermine Iran's position in Syria. Caesar sanctions work, If Russia turns in Iran and cuts a deal with the United States.

Jacob:

And are we witnessing the emergence of any tensions between Russia and Iran and Syria? And if so, what does that mean for Assad?

John:

I would say we are witnessing tensions between Russia and Iran in some aspects in Syria. The first set of tensions

aren't necessarily new, Russia and Iran are competing for natural and economic resources in Syria. Like Nick laid out, this plays out over control of some of the natural resources, as well as over control of certain economic sectors inside of Syria. Both Russia and Iran want economic rewards for their heavy investment in keeping Assad in power. And additionally, some newer tensions are starting to develop between Russia and Iran as they compete for influence in some of the local regions, including influence over local forces, as well as the local civilian population.

Jacob:

In which specific regions are these tensions playing out?

John:

One area of contrast that we are seeing developing tensions play out is in Southern Syria. For Iran, maintaining an Iranian presence along the Golan Heights is a key priority. Since Persian forces seize control of Southern Syria in July 2018, Iran has worked with various local forces to build out this presence. Now, Russia has also worked with former reconciled fighters that now operate under the Russian-backed Fifth Corps. Recently, the local leader of the Fifth Corps in Daraa province, has indicated his intention to unify some of the reconciled groups under his command, and to expand his group's influence in Southern Syria. This kind of move would likely be at the expense of the Iranian presence in the South.

Nicholas:

I just want to say that John is spot on with this focus on Southern Syria. Southern Syria is the proven ground for the idea that the Russian and Iranian partnership in Syria can be split apart. Russia, in theory, has responsibilities. It owns from the Assad deal it struck with Jordan in Israel in the summer of 2018, that created the conditions for these formerly armed opposition controlled areas, the Southern Syria, to fall under Assad's control.

Jacob:

What has been the result of that deal? Do we see a split emerging?

Nicholas:

Well, since the summer of 2018, the result has been Iran and its proxies, especially Lebanese Hezbollah, are on the rise in Southern Syria and they're enabled by key elements of the Assad regimes elite forces. These Assad regime elite forces are directly tied into the Assad family, including elements of the Assad families praetorian guards. Iran is in business in a big way in Southwest Syria, aiming to take the fight to Israel and potentially Jordan and the Assad family is Iran's business partner. If Russia can't, or won't, limit or remove Iran's influence in Southern Syria, which was supposed to be the showroom model of Russia's ability to achieve exactly this effect so it can make the argument to the international community that it can broker the future of Syria. Then where will Russia be able to achieve this? And that is at the heart of the question that the US it must ask itself now.

Jacob:

Understood. Thanks, Nick. I want to turn the discussion a little bit to the future. What are the key trends that will determine Assad success or failure for the rest of 2020, as he tries to reconsolidate his power?

John:

The key trend that I'm looking at for the rest of 2020 is going to be the economic downturn inside of regime-held Syria. So the state of the economy is going to affect what Assad can accomplish for the rest of the 2020, including what external and internal challenges that he will face as a result.

Jacob:

John, can you break those out for me? What are those internal and external pressure points on Assad, specifically?

John:

Of course. So internally we're looking at how Assad's relationship with the elites is affected, the threat of anti-Assad protests spreading from areas in Southern Syria into other Assad held zones, and we're also looking at how the economy will affect Assad's ability to undertake large military campaigns or simultaneous military action inside of regime-held Syria. And then externally, will Russia and Iran provide the support Assad needs to turn the economy around or could Assad leverage new relationships to help fix the economy, potentially a Gulf state like the UAE, as well as could Russia or Iran use the economic downturn to build at the expense of the other? So, can either Russia or Iran essentially provide economic support that will allow them to improve their relationship with Assad at the expense of the other.

Jacob:

As with so many things, it kind of seems like it comes down to money. Are there any dates coming up that we should be looking toward as possible inflection points?

John:

There are a few dates coming up that we will be watching for and seeing how that affects the situation inside Syria. So the first is on July 19th, when the Assad regime will hold new parliamentary elections. Then later on in the summer, as we mentioned before, the constitutional committees will meet. That date is not yet exact, but it's supposed to be right around late August. And then sort of sprinkled throughout the summer, we are expecting the implementation of new rounds of US sanctions under the Caesar act, but the exact dates of those implementation is unknown. Other than that, we expected it to occur multiple times throughout the summer.

Jacob:

Now, I know we've touched on the goals of some of the current US sanctions, but what might the goals of subsequent rounds of sanctions be? Would these new rounds seek to reinforce the current rounds goals? Or do you see the US taking on, say additional objectives with these new rounds of sanctions that you expect to see?

Nicholas:

Well, thank you, Jacob. You know, the US wants to achieve certain effects with the Caesar sanctions and subsequent sanctions, and the ultimate success or failure of these sanctions will depend on these effects. And we won't know what the report card is on these sanctions in 2020, but much of what will transpire this year will determine whether US policymakers, can assess that the sanctions have the effects that they're seeking. The primary effects that they're seeking are to maintain the international consensus against renormalize the Assad regime to try to drive a wedge between Russia and Iran, that would leave Russia to cut a deal with the US That would then advance the UN Security Council Resolution 2254. And which brings Syria closer to the future whereby the Assad family and upper echelons of the regime are reformed, or transitioned out of power. These are certainly ambitious goals.

Jacob:

Thanks, Nick. What developments are you tracking that we might see, that would indicate to you that the sanctions are working or failing, short of literally achieving regime change in Syria or something like the total withdrawal of Russian or Iranian forces?

Nicholas:

Well, Jacob, that's such a great question, and ultimately we should consider this. The collapse of the Assad re-

gime's position in Syria may not occur until the collapse of the regime strategic depth that Iran provides it. And the Iranians are embedded deep in the highest echelons of the regime. It seems that the Iranians are doubling down in Syria, not backing down. And US policy depends on pressure on Russia, to compel Russia to change Iran's position within the Assad regime, which would potentially create effects US policies is seeking. However, if the Caesar sanctions don't achieve this effect, they will fail.

Jacob:

Which would certainly be unfortunate. And on that note, I want to thank you both for being here today, and thank you for sharing your knowledge and wisdom with us on this very complicated issue.

John:

Thanks Jacob. Happy to be here. Happy to talk on it.

Nicholas:

Thank you very much, Jacob and John.

Kim Kagan:

Thank you for listening to this episode of Overwatch. We look forward to your feedback on this episode and previous ones visit www.understandingwar.org to learn about ISW's work and to sign up for our mailing list.

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