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Dialogue Platform For a New Syrian Reality

Decentralization in Syria: Economic Arrangements for Equitable Distribution of Wealth and Power

Introduction

Since the outbreak of the popular uprising in 2011 and its subsequent transformation into a civil war, the concept of decentralization has occupied a significant place in the Syrian discourse. The Kurds were among the earliest proponents of decentralization, viewing it as the optimal model for Syria and a key to resolving its longstanding problems. In recent years, however, the call for adopting decentralization as a system of governance has grown louder, with a broader range of Syrian components and political actors embracing the idea—especially in the wake of the Baath regime's collapse and Bashar al-Assad's flight from power.

Over the past decade, as a result of the conflict and civil war, Syria has become effectively fragmented into multiple zones of control, each governed by distinct administrative structures and political systems. Reconstituting a unified Syrian state will require a framework capable of mending the deep fractures caused by war and addressing the damage sustained on political, social, and economic levels.

In this context, the proposal for a decentralized state emerges not merely as a transitional mechanism to help Syria overcome its crisis—one rooted in a highly centralized and authoritarian regime—but as a practical and viable solution for building a pluralistic nation. Such a nation would be founded on a new social contract that governs the relationship between the state and its diverse society—across ethnic, religious, sectarian, and cultural lines—on the basis of justice, democratic participation, and full and equal citizenship.

This vision necessitates the adoption of a constitutional mechanism—whether referred to as a system of local/regional governance, self-administration, or another suitable term—that ensures the devolution of certain powers from the central government to regional entities. The scope, structure, and content of this authority would be determined through consensus among the parties to the new social contract.

Decentralized governance is not only a means of ensuring equitable distribution of power, but also a critical tool for achieving fairness in the allocation of wealth and resources, thereby enabling inclusive and sustainable development.

This model of decentralization prioritizes national economic development while placing particular emphasis on the growth and advancement of local and regional economies and their market dynamics. It envisions semi-autonomous arrangements for the management of natural resources—such as water sources and energy reserves—as well as the operation of public institutions and services, the establishment of markets and regulation of property, the founding of banks and companies, the drafting of public budgets, and the organization of revenues and expenditures, among other key functions.

A Reflection on the Concept of Decentralization

The United Nations Development Program (UNDP) defines decentralization as it "refers to the restructuring of authority so that there is a system of co-responsibility between institutions of governance at the central, regional and local levels according to the principle of subsidiarity." Similarly, the World Bank describes decentralization as: "the transfer of authority, responsibility and resources over public function from the central government to local governments or other local entities." The Organization for Economic Co-operation and Development (OECD) defines it as: "The transfer of powers, responsibilities, and resources from the central government to elected authorities at the subnational level, with some degree of autonomy."

Within this framework, it is essential to distinguish between political decentralization and administrative decentralization.

Political decentralization relates to the structure of the state and the nature of its political system. It involves the distribution of powers between the central government and subnational political units—such as regions, states, provinces, or governorates—which function as semi-autonomous entities with their own constitutions or social contracts. This type of decentralization falls under the domain of constitutional law and political systems.

In contrast, administrative decentralization pertains to public administration and aims to facilitate the effective management of public services. It involves delegating administrative functions from the central authority to local or sectoral bodies, which operate under the supervision and oversight of the central government. This form is governed by administrative law.

■ **The following points highlight the key differences between political and administrative decentralization:**

1.Under political decentralization, subnational regions enjoy independent legislative, executive, and judicial powers within the constitutional framework. In administrative decentralization, however, legislative authority remains centralized, and local councils or bodies are granted only limited administrative functions.

2.In administrative decentralization, local or sectoral entities are subject to the same national laws applied uniformly across the country. In political decentralization, regions or provinces may enact and implement their own legislation through independent local legislative bodies.

3.In political decentralization, the federal constitution delineates the distribution of competencies between central and regional governments based on the specific needs and contexts of each region. In administrative decentralization, ordinary legislation is sufficient to establish and regulate local or sectoral bodies.

4.Political decentralization entails the participation of regional representatives in national governance, including involvement in drafting federal legislation. Administrative decentralization, on the other hand, does not include a political or legislative role for local bodies within the broader governance structure.

Both forms of decentralization—political and administrative—can vary significantly in scope and implementation, giving rise to multiple governance models, including confederation, federation, self-rule, self-administration, regional administration, and local governance.

Many scholars argue that decentralization is fundamentally driven by political considerations. Regardless of its form, the process of transferring responsibilities to local or regional governments has profound economic implications, as it shapes governance structures, wealth distribution, and development outcomes. It also influences the quantity and quality of public services and defines the scope of freedoms and responsibilities enjoyed by citizens.

Within this context, a third form of decentralization emerges: fiscal decentralization. According to the UNDP, fiscal decentralization involves empowering communities by financially empowering their local governments, granting them clear financial authority and autonomy in managing financial resources—including the power to collect and allocate revenues.

Fiscal decentralization serves as a crucial enabler for both political and administrative decentralization. By equipping local and regional governments with practical financial tools—not just nominal authority—it fosters greater institutional independence and enhances their ability to make decisions that effectively respond to the needs of their communities.

Why Decentralization in Syria?

Since its formation as a modern state following World War I, Syria has undergone multiple political transformations: from the monarchy to the Syrian Federation under the French Mandate, followed by the era of independence, successive military coups, and eventually the Pan-Arab nationalist period—first marked by the union with Egypt, then its dissolution, and finally, the long rule of the Baath Party.

In the early years of its formation and under the French Mandate, Syria experienced forms of decentralization that resembled a confederation. However, after gaining independence from French rule, Syria became a highly centralized state dominated by distinct social groups, each seeking to preserve its identity—whether ethnic, religious, sectarian, or cultural—within its own geographic sphere. This disconnect between the centralized structure of the state and the pluralistic fabric of Syrian society—exacerbated over six decades of Baathist rule, which monopolized public life under nationalist and socialist slogans—resulted in communal identities remaining stronger than any sense of shared national identity.

This tension came to the surface during the recent civil war, manifesting in the collapse of political, social, economic, and cultural cohesion. Distinct identity-based divisions were starkly visible: Alawites along the coast, Druze in the south, Kurds in the north and northeast, Sunni Arabs in the central and eastern regions—with further distinctions among them based on urban, rural, or tribal backgrounds, as well as religious or secular orientations—alongside Christians and other minority communities. These divisions revealed deeply entrenched identity conflicts in both thought and behavior.

Such contradictions underscore that sectarian and communal identities have never disappeared from the collective consciousness of Syria's communities.

The issue, however, is not the absence of a national identity per se, but rather the lack of an objective framework capable of forging one—not through coercion or domination, but through consensus and shared principles.

For Syria—given its mosaic of ethnic, religious, and sectarian communities—to overcome the structural crisis that has haunted it since its political inception, the state must be rebuilt on a foundation of equality. This would allow its various components to freely express their will and organize their interests in ways that align with their specific needs and aspirations, without marginalization or exclusion, and without recourse to violence.

This requires a fundamental redefinition of the relationship between the state and society, and among society's various components themselves. A decentralized state system offers a viable model—one in which regions and communities have the right to shape their own development paths and express their identities. The failure of centralized governance in Syria has become evident: the political and social marginalization of peripheral regions, and the forced assimilation of diverse identities into a homogenized central authority, has only led to deeper geographic fragmentation and social unrest. Given these realities, Syrians across all communities now stand at a crossroads. They are faced with the historic task of rebuilding their state based on a new social contract—one grounded in voluntary union and mutual interests. Turning back the clock is no longer possible, and the traditional model of a rigid, centralized nation-state can no longer meet the complex political, economic, social, and cultural demands of today's society. As democratic ideals take firmer root and public awareness grows around the need for local self-governance, the modern Syrian state must embrace decentralization—not merely as an administrative reform, but as a foundational principle of governance. Decentralization offers an effective and inclusive approach to managing diversity.

It aligns with contemporary governance models that seek unity through diversity, providing a practical and democratic framework for navigating the challenges of social and political pluralism in a post-conflict Syria.

The Economic Imperatives of Decentralization in Syria

Syria's current reality underscores the urgent need to break away from the centralized governance model inherited from the Baathist regime—one that resulted in five decades of authoritarianism, squandered development opportunities, and, more recently, over a decade of war, destruction, and human suffering. The path forward must prioritize economic recovery, reconstruction, effective governance, and long-term stability. Achieving these goals requires a more inclusive and representative decentralized system of governance—one that ensures equitable distribution of wealth and power, and that accounts for the demographic composition and distinct economic geography of each region in Syria. Such a system must enable fair and sustainable development across the country, rather than concentrating it in the capital at the expense of peripheral regions.

International experience demonstrates a strong correlation between decentralization and development. Decentralized systems offer two key economic advantages. First, local or regional governments are better positioned to tailor public spending to the specific development needs and preferences of their communities, thereby increasing the efficiency and responsiveness of public services. Second, decentralization enhances the capacity of local governments to mobilize and allocate resources more effectively, fostering endogenous growth and generating broader economic and social benefits.

In the Syrian context, implementing decentralization through elected local governance structures could serve as a powerful tool for addressing longstanding development challenges. It would help dismantle the historic pattern of exploitation and marginalization exercised by a kleptocratic central authority based in Damascus—one that monopolized both wealth and decision-making power, while systematically depriving peripheral regions of their resources, services, and rightful share of development through patronage networks and entrenched corruption.

Empowering local governance structures—whether in the form of representative regional councils or autonomous administrative bodies—with executive authority and direct accountability to their constituents can significantly enhance community participation in decision-making. It would also promote responsible management of local resources, ensure transparent revenue collection and spending, and enable regions to identify and address their development priorities independently. Establishing clear lines of responsibility between central and local authorities regarding taxation and expenditure is crucial to this process.

To develop an effective model of decentralization in Syria and to prevent the emergence of a new kleptocratic order, a gradual and comprehensive approach is essential. This should combine institutional reform, equitable resource distribution, and local capacity-building, all while taking into account the country's complex political and social context, particularly in the aftermath of prolonged conflict.

Ultimately, decentralization must be enshrined in Syria's future constitution and legal frameworks as a foundational principle of governance. Doing so would not only facilitate the participation of diverse communities and regions in the reconstruction process but also help restore trust between citizens and the state—laying the groundwork for a more inclusive, just, and stable Syria.

Recommendations for Economic Arrangements

In conclusion, the following economic arrangements are recommended as part of a decentralized governance model in Syria, particularly for autonomous administrations or local governments operating in regional or peripheral areas:

1. Local governance bodies/autonomous administrations should be empowered to formulate their own economic and social development plans. These plans should define goals and implementation mechanisms tailored to local conditions, while integrating with the broader national development strategy.
2. Local governance bodies/autonomous administrations should have the mandate to coordinate production relations and organize economic structures within their jurisdictions in accordance with national laws and local economic characteristics. They should also have autonomy in planning and executing infrastructure projects based on available financial and material resources.
3. Local governance bodies/autonomous administrations should have the right to manage and protect natural resources within their regions, as stipulated by the constitution and relevant legislation. They should also be granted priority in the sustainable and lawful exploitation of these resources within the framework of the national decentralization strategy.
4. Local governance/autonomous administrations regions should receive a designated share of the national budget. This allocation should be determined based on objective criteria such as geographic area and population size. Additionally, regions should receive a fixed percentage of revenues generated from the exploitation of local natural resources (e.g., oil and gas), which contribute to the national budget.

5.Local governance bodies/autonomous administrations should independently oversee institutions and enterprises operating within their territories. They should also be allowed to engage in external economic and commercial activities in accordance with national regulations, and benefit from preferential national policies that support such activities.

6.Local governance bodies/autonomous administrations should supervise sovereign facilities located within their territories, such as border crossings, airports, seaports, free trade zones, and international highways. Revenue generated from customs, transit fees, or other taxes should be shared with the central government based on a financial framework set by national legislation.

7.Local governance bodies/autonomous administrations authorities should have the authority to draft and enact regional fiscal legislation to enable self-financing. This includes the power to impose, adjust, or exempt certain taxes and fees to support local economic activities that require fiscal incentives.

8.Within the framework of the national financial system, local governance bodies/autonomous administrations should retain full control over their locally generated revenues. They should also oversee the allocation of their share from the national budget to support region-specific development priorities within the broader national plan.

9.Local governance bodies/autonomous administrations should be responsible for environmental protection, biodiversity conservation, and pollution prevention. They should also regulate ownership and usage rights of rangelands and forests in their regions, in line with national environmental laws.

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