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# Role for Gulf States in Syria's Reconstruction

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The longer-term geopolitical ramifications of Hay'at Tahrir al-Sham (HTS) and other armed groups overthrowing Bashar al-Assad's regime in December have yet to be fully realized. Yet, a little more than two months into Syria's post-Ba'athist period, Gulf Cooperation Council (GCC) members and Turkey have, at least so far, emerged as the biggest external winners.

The Gulf Arab monarchies and Turkey are playing important diplomatic roles as legitimizers of the HTS-led government in Damascus, and they are positioned to help war-torn Syria with reconstruction and redevelopment. While many Turkish construction, transport, and manufacturing companies seem set to profit from the largest projects in the rebuilding of Syria, Turkey lacks the resources to finance Syria's reconstruction. Therefore, Ankara recognizes the necessity of collaborating with GCC states, which can finance much of the reconstruction efforts. The United Arab Emirates (UAE) stands out for its infrastructure development expertise, which can do much to help Syria rebuild its decimated cities, revive its shattered economy, and facilitate new trade relationships with countries worldwide.

## Stability in the Neighborhood

Despite the challenges and enormous costs of playing a lead role in Syria's reconstruction, Gulf Arab states have their own interests in taking on this burden. Heavily focused on their own economic development and diversification through ambitious agendas such as Saudi Arabia's Vision 2030, the Gulf Arab monarchies want stability on the Arabian Peninsula, in the Gulf, and throughout the wider region. As the post-October 7 conflicts in Gaza and Lebanon demonstrated, chaos in any part of the Middle East is often contagious. Gulf Arab states do not want state collapse in Syria, which could create dangerous power vacuums or fuel new conflict(s) in Syria that would have potential to spill into the Gulf. Such a new layer of

instability in the Levant could easily undermine the GCC members' economic development visions as the world transitions to the post-carbon period.

Obviously Gulf Arab monarchies are not charity organizations. These oil- and gas-rich countries will invest in Syria's reconstruction to promote stability, secure large economic returns, and influence Damascus geopolitically. Channeling billions of dollars into Syria's redevelopment will ensure that the GCC states gain higher levels of clout in the war-torn country. For many years, Assad-ruled Syria was deep in Iran's orbit at the expense of GCC states' influence in the country, especially after the crisis erupted in 2011 when the Islamic Republic's role in propping up the Damascus regime was essential to its survival. Now the leadership in Abu Dhabi, Riyadh, and other Gulf Arab capitals have an opportunity to bring Syria back to the Sunni Arab world's diplomatic and geopolitical folds. This goal of GCC members motivated some of them to support regime change in Damascus after the Arab Spring reached Syria 14 years ago, and then also to renormalize relations with Assad in the 2018-23 period.

Additionally, Gulf Arab leaders do not want the HTS to promote the spread of radical Islamist revolutionary ideas to the wider region from Syria. By engaging President Ahmed al-Sharaa's government diplomatically and helping Syria redevelop, GCC states have a good shot at influencing Damascus to not become a regional force that threatens the Gulf Arab monarchies.

### **Stumbling Block of US Sanctions**

Despite their desires, Gulf Arab countries are currently reluctant to put money into Syria's reconstruction efforts due to the US and other Western countries' stringent sanctions on Syria. Because the [2019 Caesar Syria Civilian Protection Act](#) (a.k.a. Caesar Act) consists of [secondary and derivative](#) sanctions, entities worldwide, including Gulf- and Turkey-based financial institutions, investment vehicles, and construction firms, are subject to the long arm of US sanctions if they do business in any part of government-controlled Syria (despite the government that the Caesar Act purportedly went after now being out of the picture). As major investors in the US which trade oil in dollars and seek to avoid backlash from the US Treasury, GCC states are not contributing to Syria's reconstruction efforts.

With President Donald J. Trump not even one month into his second term, there are countless unknown factors surrounding the new American administration's foreign policy vis-à-vis Syria. It is unclear how Trump, who has earned a reputation for being unpredictable, will approach the Caesar Act. It will mostly come down to how Trump's team assesses the HTS-led administration in Damascus, its governance at home, and how the new Syrian government interacts with US allies and partners in the region, chiefly Israel.

Nonetheless, all six GCC members have voiced their firm stance against a continuation of US sanctions on Syria. Unless and until the Trump administration removes the Caesar Act, or at least significantly eases its enforcement, Gulf Arab leaders and their lobbies in Washington will likely try to persuade the White House that the time has come for removing all sanctions on Syria. When engaging Trump's second administration, GCC states will seek to convince the US leadership that Syria's reintegration into the global economy will ensure that the country can achieve the stability, security, independence, and unity necessary for preventing violent extremist groups such as Islamic State (ISIS) from being the beneficiaries of Assad's fall. Saudi officials have already been in an active [dialogue](#) with the US and the EU about supporting Syria's political transition, economic redevelopment, and reconstruction through the lifting of Western sanctions.

Where these discussions about lifting sanctions go is unclear. Trump's administration appears to include anti-Islamist figures such as Trump's director of national intelligence, Tulsi Gabbard, who are skeptical of HTS and would likely object to legitimizing Syria's rebels-turned-rulers.

On the other hand, Trump is a transactional president always keen to strike business deals favorable to US companies. This means that GCC states might be able to persuade his administration to see Syria's reconstruction as a valuable economic opportunity for Americans. Some members of Trump's party speak this way. Republican US Congressman Joe Wilson [called](#) for "private and commercial investment" to drive Syria's reconstruction, and [said](#) that "a Trump tower in Damascus one day would be a welcome development!" But this would require lifting the Caesar Act, and if the Trump administration decides against doing so, such crippling US sanctions on Syria could, along with other issues in the region such as Gaza, become a source of increased tension between Washington and GCC states.

It is worth considering how Russia, as the world's most heavily Western-sanctioned country, might have a role to play in Syria's redevelopment. Despite lacking the resources to finance Syria's reconstruction, Moscow is offering to assist with the country's redevelopment. This ability to help is perhaps a bargaining chip that Russia can leverage while Moscow engaged in "constructive and practical" talks with al-Sharaa's government about the possibility of Russia maintaining its military bases in Syria.

If the Trump administration refuses to lift crippling sanctions on post-Assad Syria, the new Damascus government could make a highly pragmatic move by forming cooperative ties with Moscow in its pursuit of greater legitimacy on the international stage and state-building at home. Although Russia's ability to assist with Syria's reconstruction has major limits, particularly mindful of the expensive war that it is fighting in Ukraine, the Gulf Arab monarchies would likely see any efforts by Moscow to play any useful role in Syria's reconstruction as positive. GCC states, especially Russia's fellow BRICS+ member the UAE, which has a long history of working closely with the Russians, could potentially do much to facilitate some degree of Russian involvement in Syria's long and difficult journey to redevelopment.

Nonetheless, without a lifting of the sanctions imposed by Western countries, chiefly the US, efforts to rebuild Syria will be hindered and the prospects for economic regrowth and effective governance will dim.

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