From Centralization to Inclusion: Rebuilding Syria's Political Order

Introduction: The Syrian Legacy of Overcentralization

For over five decades, Syria was subjected to the rule of the intensely centralized Ba'ath regime. The overcentralization of Assad's rule unleashed various social, political, and economic disparities. The concentration of power in Damascus marginalized entire groups and communities. For instance, eastern parts of Syria remained heavily underdeveloped in terms of infrastructure. Additionally, communities such as the Kurds were systematically ostracized as many individuals were denied Syrian identity cards, effectively excluding them from access to public services like healthcare and preventing them from owning property or engaging in formal commercial activities.

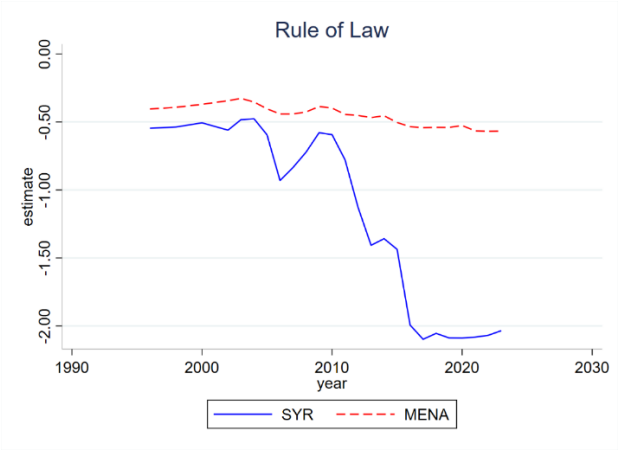
Furthermore, the overcentralization in Assad's Syria fostered corruption through an elitest network affiliated with the government. The network utilized the concentration of political power and the security apparatus to build an economic empire characterized by Crony Capitalism that concentrated an estimated 60% to 80% of the Syrian economy in the hands of Assad family and its elite allies (Alrifai, 2020).

These actions fueled widespread public resentment, culminating in mass protests in 2011 – marking the beginning of the Syrian revolution which quickly escalated into a protracted and devastating civil war.

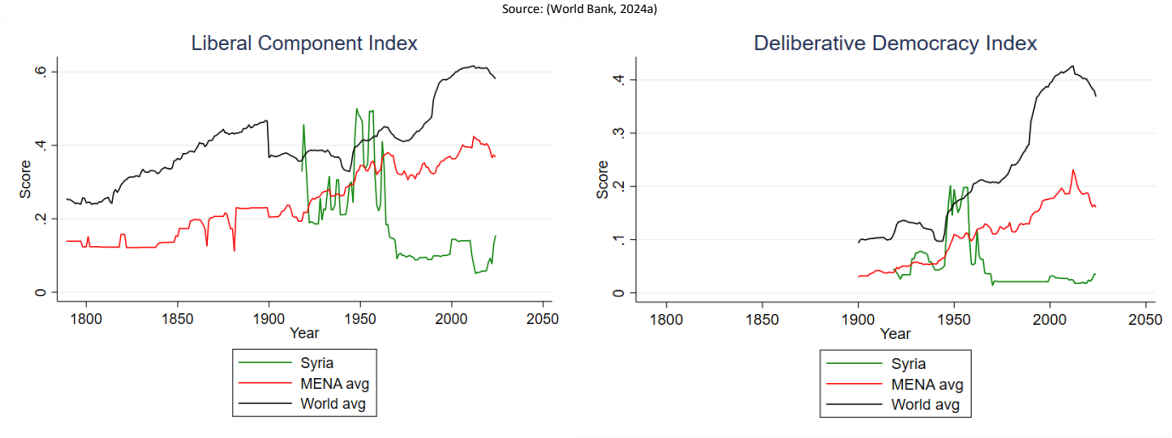
2. The Civil War and the Breakdown of Trust

During the 14-year conflict, the Syrian economy contracted by 65% plummeting from US$67.5 billion in 2011 to US$23.6 billion in 2022 (World Bank, 2025). Beyond the destruction of infrastructure estimated at US$118 billion and the estimated US$324 billion in revenues losses in 2020 (estimations exceed US$1 trillion in other studies) (United Nations Development Programme, 2025), the war has also taken a heavy toll on the informal institutions of Syrian society. Cooperation-enabling institutions like the institution of trust have been severely damaged (Al Ajlan, 2023). In the absence of trust, the transaction costs rise significantly (Bromiley & Harris, 2006), damaging the ease of doing business. While the lack of cooperation-enabling informal institutions can be compensated by formal institutions, this solution isn't available in Syria. According to the World Bank report on justice in 2023, Syria scored poorly on the indices of transparent laws with predictable enforcement (-1.84, compared to a global average of 0.58 and best score of 4), independent judiciary (0, while world average is 2.09 and best score is 4) and the due process (0, compared to a global average of 1.92 and best score of 4) (World Bank, 2024b). These low scores highlight the severe weakness of the rule of law in Syria and, by extension, the inability of formal institutions to compensate for the collapse of cooperation-enabling informal institutions. In such an environment, where neither trust nor law can reliably govern interactions, businesses operate under constant uncertainty, and economic recovery becomes not just unlikely – but structurally impossible without fundamental institutional reform. The following three figures capture the scores of the rule of law, deliberative democracy and liberal democracy indices. (i) The Rule of Law measures how confidently people and firms can rely on a country's legal order (enforceable contracts, secure property rights, effective and impartial police and courts, and a low risk of crime or violence). A higher score signals stronger, more predictable legal institutions. (ii) Deliberative Democracy Index gauges how far decision-making in a country is driven by reasoned public debate aimed at the common good, rather than by raw power, narrow interests or emotions. (iii) Liberal Democracy Index captures the extent to which a country's constitution, courts and

legislature restrain executive power and protect individual- and minority rights. Higher values signal robust civil liberties, equality before the law and string checks-and-balances.



Source: (World Bank, 2024a)



Source: (Coppedge et al., 2025)

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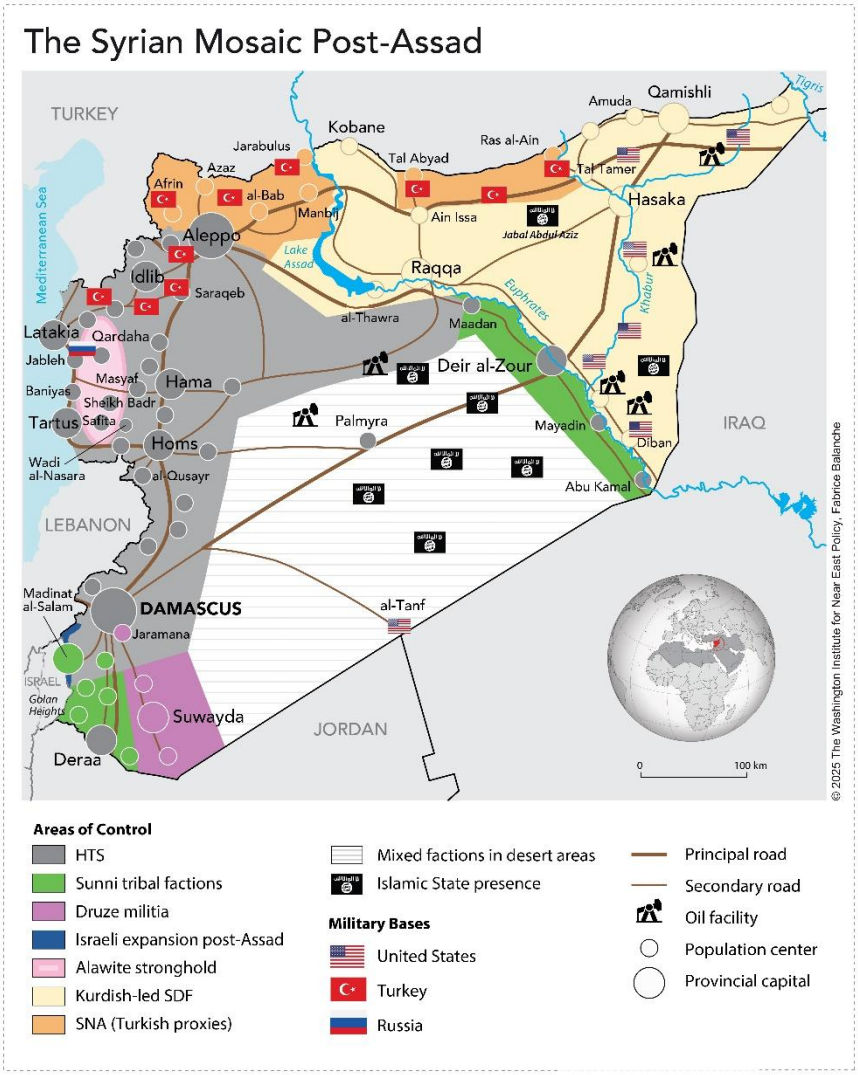
Following the fall of Assad's regime, Syrians seemed cautiously optimistic for a new future, marked by liberty, democracy, decentralization, the rule of law, and human rights. However, the path ahead remains far more complex than initially hoped for. For instance, Hay'at Tahrir al-Sham (HTS) lacks a cohesive structure. On the contrary it is comprised of numerous factions with different Islamic ideologies and varying levels of extremism, complicating efforts to demobilize fighters and integrate them into state institutions. Moreover, the presence of foreign fighters within HTS ranks has drawn international suspicion and condemnation.

On another frontier, Syria remains fragmented. The Syrian Democratic Forces (SDF) have solidified control over Northeastern Syria, while the Druze-based militias maintain authority in the South. Although negotiations are underway, incidents such as the massacres targeting the Alawite community along Syrian coast in early March 2025, according to Amnesty International, have further eroded trust and hindered progress toward reconciliation.



Source: The Washington Institute for Near East Policy

In such a fragmented and volatile environment, rent-seeking behavior, institutional paralysis, and the economy of violence find fertile ground to expand. Prompt and inclusive institutional reform is therefore not only necessary–it is urgent. The collapse of informal institutions (like trust) and the weakness of formal institutions (evident in low rule-of-law scores) demonstrate the failure of Syria's highly centralized governance model. When both informal and formal mechanisms of coordination break down, centralized control becomes brittle, unresponsive, and inefficient.

Federalism offers a pathway to distribute governance more equitably, restore local trust, and empower communities to rebuild their own institutions. At its core, federalism can foster three essential pillars of sustainable peace: inclusion, ownership, and cooperation.

3. Why Federalism? Rebuilding Through Shared Power

In contrast to integrative or "coming-together" federalism, Syria would represent a case of centrifugal federalism, similar to Belgium. The Belgian case provides a strong point of reference due to several similarities. For example, Belgium experienced significant ethno-territorial conflicts (defined as conflicts (a) along segmental lines and/or (b) conflicts on ethno-territorial issues like language and state reform) represented by two groups (a) the Flemish and (b) the Francophones. Challenging the federalism paradox – the idea that granting autonomy exacerbates divisions and undermines stability – Vandenberghe (2023) argued that Belgium offers robust theoretical and empirical grounds for refuting this thesis. Approaching federalism from a power-sharing perspective, Vandenberghe (2023) found that during the five major waves of federalization in Belgium (1979 – 2018) there was a clear decline in the number of ethno-territorial conflicts, with noticeable drops following each reform wave. Thus, the case of Belgium can be meaningfully juxtaposed with that of Syria.

In addition to the rich diversity within Syrian society, Syria's geography is de facto fragmented. The Syrian Democratic Forces (SDF) control the northeast, Druze factions control the southern regions, and Turkish-backed militias control large parts of the north. The new Syrian administration, which governs the central and western areas, comprises several Islamist groups with varying levels of extremism. Fragmentation within the newly formed Syrian Ministry of Defense and Ministry of Interior increases the risk of renewed escalations, especially in light of crimes committed along the Syrian coastline against Alawite communities (Amnesty International, 2025) and in rural Damascus against the Druze population. Given the fragmented status quo and fragile stability, federalization could contribute to establishing lasting peace and long-term stability in Syria.

Federalism could achieve three fundamental aspects of peace and stability:

a) Inclusion

Federalism promotes inclusion by recognizing and incorporating the diverse social, ethnic, and regional groups within a state. As power is distributed among different levels (federal, state, local), it allows all regional groups to participate in governance. Subsequentially, the dominance of a single group is prevented.

b) Ownership

By handing states or regions the ability to control their local taxation and revenue collection, the responsibility of the community is encouraged and the link between taxation and public services is strengthened due to a better employment of local knowledge. Moreover, states can pass laws in areas of local concern like education and healthcare, reflecting the unique needs of their population.

c) Cooperation

Federalism encourages cooperation between different levels of government and among diverse groups. This is crucial for maintaining peaceful coexistence. Policies coordination through regular meetings between the federal and the regional leaders facilitate joint problem-solving. Moreover, the multi-level governance ensures the integration of national, regional, and local levels in policy implementation, leading to the reduction of top-down imposition.

4. Federalism and Institutional Competition

A central government without any form of decentralization leads to an increase in opportunity cost. In federal context, local authorities can experiment with economic and social policies, put in other words, it gives the possibility for a framework of institutional competition. As governments decide on public services and goods, taxation structures, and other matters that highly impact the residents, it might be imperative to look at the competency and accountability concepts and how they are formed in centralized and decentralized forms of governance. For instance, in a centralized political system, the national leader holds the power to appoint and dismiss local officials. The national leader doesn't necessarily follow the evaluations of local residents, especially when the local official spends less resources than expected on local public goods and simultaneously contributes more than expected to political activities that favor the national leader (Myerson, 2021). On the contrary, in a decentralized form of governance, in which local voters have power over the official's career, there tends to be more accountability when local public investments are of poor quality (Myerson, 2021). This emphasizes how centralization promotes moral hazard in the mechanism of political accountability.

Consumers make different consumption decisions when opportunity costs are salient (Frederick et al., 2009; Maguire et al., 2023), inferring that the absence of sufficient attention to opportunity costs can distort decision-making processes. Hence, decentralized governance–realized by federalization–leads to institutional competition (different decisions on taxation, public goods, and delivery of services) where the opportunity cost for local residents become more salient because there will be other federal units with different legal frames and regulations.

This institutional competition should not mean isolated spheres of influence but rather a cooperative conduct between the center and the federating units. The normative point of reference here is the modern theories of federalism, whose theorists believe in a cooperative federalism between the center and the federating units in a positive way. The units and the federal government would be interdependent upon one another. The center and the units join forces cooperatively to solve issues rather than making policies in isolation. The form of cooperative federalism ensures safety and participation of all ethnic groups within the federal units, especially those who might be part of an ethnic majority in Syria as a whole and a minority in some federal units.

5. Addressing Concerns and Misconceptions

The Syrian-proposed federalism is not a step toward partition or disintegration. In fact, various Syrian groups have repeatedly said that they prefer a unified country with a secular system that ensures equality before the law. The closing

g statement of the *Unified Kurdish National Conference* in April 2025 affirmed that the participating Kurdish forces and parties had agreed on a political vision, emphasizing a democratic and decentralized Syria (المدن, 2025). Moreover, a large segment of the Druze community in the south, represented by Sheikh Hikmat al-Hijri, called for greater decentralization and federalism in several statements.

Concerns about resource allocation will naturally arise. Negotiations will be needed to tackle difficult questions about, among other things, sea access, water-usage rights, and control over oil and gas fields.

In overall, for the Syrian federalization to function properly, there needs to be installed safeguards that keep the federal units intact. The epitome of such safeguards is the strong central oversight on defense, foreign policy, and national infrastructure. Many countries exhibit a similar mechanism such as Switzerland and India where the defense is centralized at the federal level.

6. Conclusion: A System That Matches Syria's Reality

A cooperative federal model aligns Syria's ethnic and sectarian diversity, its long-standing regional identities, and more importantly, its post-war geography of de facto local authorities. By distributing power downward while preserving a single state, it can rebuild trust, spur local initiative, and embed durable checks on renewed authoritarianism.

Federalism here is not merely an administrative scheme, it is the scaffolding on which long-term peace settlement can be constructed and Syria re-anchored in the international community.

Therefore, we propose the following road-map for implementation:

1. Regional level deliberation: Convene open "people's conferences" in every governorate/region – facilitated and monitored by the UN – to draft precise, consensus-based statements of needs, priorities and red-lines.
   The aim is to create bottom-up legitimacy that shows all groups (including minorities and IDPs) that their voice shapes the future.
2. Mandated regional delegations: Each conference elects a multiparty delegation empowered to negotiate on the region's behalf, armed with a clear political mandate and an initial action plan. The goal is to ensure that negotiations are accountable to their constituencies, not self-selected elites.
3. National negotiation roundtables: Delegations meet the central interim government (and one another) in UN-chaired roundtables to draft a framework accord on federalism covering competences, revenue-sharing, and human-rights guarantees. The aim here is to establish a common architecture before detailed bargaining in order to lower transaction costs.
4. Feedback-loop mechanism: After each negotiation round, delegations report back to their regional conferences. Outcomes are debated, amended, and re-mandated. The UN published minutes to guarantee transparency. This matters as it keeps talks iterative and adaptive which prevents spoiler narratives about secret deals.
5. Provisional constitutional package: A joint drafting board (regional + central lawyers, with comparative-federalism experts) converts the framework into constitutional language plus implementing laws such as fiscal federalism code, natural-resource law, and independent judicial council statute). This step translates political consensus into justiciable rules and locks in predictability for investors and donors.
6. Ratification and phased rollout: The constitutional package is ratified by a two-level process: (a) super-majority vote in a reformed national assembly, and (b) simple-majority referenda in each region. Implementation is staged over 3 years with external monitoring and technical assistance. It delivers a double source of legitimacy (national + regional) and the phased rollout gives time for institution-building and donor support.

The road-map can be supported by additional measures such as a resource-sharing protocol, security sector road-map, and transitional-justice track. The last measure is crucial as truth-seeking, reparations, and vetting of officials, run in parallel to institutional negotiations to avoid derailing the core talks.

In conclusion, this approach aspires to give all stakeholders a sense of ownership, thereby fostering better coordination. By empowering close-knit communities at the grassroots level and allowing trust-building to scale gradually as broader societal groups are integrated step by step, it creates a durable foundation for nationwide cooperation and lasting stability.

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