

# Issue Brief for Congress

Received through the CRS Web

## **Syria: U.S. Relations and Bilateral Issues**

**Updated December 24, 2002**

Alfred B. Prados  
Foreign Affairs, Defense, and Trade Division

# CONTENTS

## SUMMARY

## MOST RECENT DEVELOPMENTS

## BACKGROUND AND ANALYSIS

### Syrian Politics and External Relations Economy and Foreign Affairs

### Syrian-U.S. Bilateral Issues

- Arab-Israeli Peace Negotiations

- Syrian and Israeli Roles in Lebanon

- Relations with Iraq

  - Oil from Iraq

  - Military Equipment to Iraq

- Arms Proliferation

- Terrorist Activity

  - Reaction to Terrorist Attacks on the United States

- Narcotics Traffic

- Syria's Human Rights Record and Related Issues

### U.S. Aid and Sanctions

- General Sanctions Applicable to Syria

- Specific Sanctions against Syria

- Recent Congressional Action

### Alternatives and Implications

## Syria: U.S. Relations and Bilateral Issues

### SUMMARY

U.S.-Syrian relations have warmed somewhat in recent years as a result of the collapse of the Soviet Union, Syria's participation in the allied coalition against Iraq in 1991, and Syrian agreement to participate in Arab-Israeli peace talks. Some Members of Congress remain wary, however, of ties with Syria. Several legislative initiatives have sought to make any relaxation of aid and trade restrictions conditional on further changes in Syrian policies.

Syria, governed by President Hafiz al-Asad from 1970 until his death in June 2000, is a prominent player in the Middle East scene. Within the region, a number of border disputes, problems of resource allocation, and political rivalries have caused frequent tensions between Syria and its neighbors. In particular, the Syrian Golan Heights territory, which Israel occupied in 1967, has been one of the most intractable issues in the Arab-Israeli dispute.

Syria participated in U.S.-sponsored bilateral peace talks with Israel between 1991 and 1996, when talks were suspended. A few months after the election of Israeli Labor Party leader Ehud Barak as Prime Minister of Israel, Syrian-Israeli talks resumed briefly under U.S. auspices in December 1999 and January 2000 but stalled again as the two sides disagreed over the sequence of issues to be discussed. A March 26, 2000 meeting in Geneva, Switzerland, between then Presidents and Asad failed to produce an agreement on restarting the talks. Prospects are uncertain in the aftermath of President Asad's death on June 10, 2000, and further progress will probably have to wait as Asad's successor, his son Dr. Bashar al-Asad, continues to consolidate his position. An array of bilateral issues continue to affect

relations between the United States and Syria: the course of Arab-Israeli talks; questions of arms proliferation; Syrian connections with terrorist activity and previous involvement in narcotics traffic; Syria's human rights record; Syria's role in Lebanon; and a warming trend in Syrian relations with Iraq. A variety of U.S. legislative provisions and executive directives prohibit direct aid to Syria and restrict bilateral trade relations between the two countries. Syria has reportedly cooperated with the United States in investigating Osama bin Laden's Al Qaeda organization in the aftermath of the September 11 attacks but has been unwilling to sever connections with some other terrorist organizations.

On April 18, 2002, similar bills were introduced in the House (H.R. 4483) and Senate (S. 2215), that would impose further U.S. sanctions against Syria unless it halts support for international terrorism and takes other specified actions. On June 24, President Bush said "Syria must choose the right side in the war against terror by closing terrorist camps and expelling terrorist organizations" (such as the Lebanese Shi'ite Muslim organization Hizballah and two Palestinian Muslim fundamentalist groups).

An issue for U.S. policy makers is the degree to which the Administration should go in seeking to enlist Syrian support for U.S. endeavors in the Middle East. Many U.S. observers believe removal of legislative sanctions should be contingent on evidence of improvements in Syria's human rights record, a clear renunciation of terrorism, and reversal of other policies injurious to U.S. interests. Others favor quiet diplomacy aimed at encouraging Syria to play a constructive and responsible role in the Middle East.



## MOST RECENT DEVELOPMENTS

*On November 8, 2002, Syria joined the other members of the U.N. Security Council in voting for Resolution 1441, which cited Iraq as remaining in "material breach" of its obligations and mandated an enhanced weapons inspection regime in Iraq, despite widespread predictions that Syria would vote against or abstain on the resolution. A Syrian official told Reuters news agency on November 9 that Syria had voted for the resolution "with the aim of saving Iraq from a military strike and to safeguard its (Iraq's) interests." On November 13, the Syrian Foreign Minister took the position that Resolution 1441 does not automatically authorize an attack on Iraq and said Syria would not participate in any strike against Iraq "outside the framework of the United Nations."*

*During a visit to London on December 17, Syrian President Bashar al-Asad expressed optimism that Iraq will continue to cooperate with U.N. weapons inspections but voiced concern that the inspectors may "subject themselves to the desires of the United States." Prior to his visit, President Asad told a British newspaper that war with Iraq would create "fertile soil for terrorism."*

## BACKGROUND AND ANALYSIS

U.S.-Syrian relations, frequently strained by longstanding disagreements over regional and international policy, have warmed somewhat as a result of several developments: the collapse of the Soviet Union, Syria's participation in the allied coalition against Iraq in 1990-91, and Syrian agreement to participate in Arab-Israeli peace talks. This thaw in bilateral relations led some Members of Congress to inquire whether U.S. Administrations had made any private commitments to Syria, such as an undertaking to relax economic sanctions, in return for Syrian support on regional issues. Several legislative proposals have sought to condition relaxation of aid and trade restrictions on further changes in Syrian policy. Recent U.S. Administrations, though not inclined to lift sanctions on Syria at this time, tend to believe it is in U.S. interests to encourage Syria to play a positive role in the Arab-Israeli peace process. The issue for U.S. policy makers is the degree to which the United States should work for better relations with Syria in an effort to enlist Syrian cooperation on regional issues.

### **Syrian Politics and External Relations**

The death of Syrian President Hafiz al-Asad on June 10, 2000 removed one of the longest serving heads of state in the Middle East and a key figure in the affairs of the region. The late President Asad, a former air force commander and minister of defense who came to power in a bloodless coup in November 1970, was elected to his fifth 7-year presidential term on February 10, 1999. Hardworking, ascetic, and usually cautious, the late President exercised uncontested authority through his personal prestige and his control of the ruling Arab Socialist Resurrection (Ba'th) Party, the armed forces, and the intelligence apparatus, which form the triple pillars of the regime. Asad also had strong support among members

of his Alawite religious sect (a small Islamic sect), which comprises approximately 12% of the population but is disproportionately represented in the country's political and military institutions. Through alliances with key leaders in the region, particularly those of Iran, Egypt, and Saudi Arabia, and his de facto control of Lebanon, Asad made Syria a leading force in the region. During the last decade of Asad's leadership, Syria held sporadic peace talks with Israel but has not yet accepted the terms Israel was willing to offer (see below).

The late President's son and successor, Dr. Bashar al-Asad, held no official position in the government or Ba'th party at the time of the elder Asad's death. Most observers believe the late President had been grooming the then 34-year old Bashar for eventual succession but had planned on a longer period of apprenticeship. A western educated ophthalmologist who held the rank of colonel in the Syrian army, Dr. Bashar al-Asad headed the Syrian Computer Society and was instrumental in bringing the internet to Syria, although access is still drastically curtailed in Syria's tightly controlled society; he also spearheaded an anti-corruption campaign. The new president initially permitted somewhat freer discussion of political issues; however, probably under conservative pressure, the government has curtailed the activities of several discussion groups that emerged after Bashar

became president, and President Bashar himself warned reformists against attacking the interests of the Ba'th Party or the legacy of the late President Hafiz al-Asad (see below).

**Economy and Foreign Affairs.** For much of its existence, Syria has faced economic difficulties and problems in its foreign relations. The economy, long based on agriculture and commerce, is dominated by an inefficient public sector, excessive central planning, and administrative controls, despite some limited efforts toward economic reform since 1991. Revenue has increased with the advent of oil production (approximately 500,000 barrels per day of which about 300,000 is consumed domestically); however, at present production rates, Syria's oil reserves will be exhausted in 10-12 years. Moreover, diminished foreign aid, fluctuating oil prices, drought, and a regional recession have contributed toward continuing economic stagnation.

Several economic reforms have been undertaken in Syria since early 2000. In April and May 2000, the late President Hafiz al-Asad approved laws to permit foreign ownership of land used for business enterprises, relax restrictions on acquiring foreign currencies, and ease corporate taxation. In his inaugural address on July 17, President Bashar al-Asad called for "steady, yet gradual, steps toward introducing economic changes" and specifically mentioned

#### Syria in Brief

**Population (2002):** 17,155,814 (Growth: 2.5%)\*

**Area:** 185,180 sq km (71,498 sq mi, slightly larger than North Dakota)

**Ethnic Groups:** Arabs 90.3%; Kurds, Armenians, others 9.7%

**Religious Sects:** Sunni Muslim 74%; Alawite, Druze, Ismaili 16%; Christian 10%; Jewish (less than 0.01%)

**Literacy (1997):** 71% (M-86%, F-56%)

**GDP (2000):** \$19.3 billion

**External Debt (2000):** \$22 billion, including up to \$12 billion to Russia (inherited from Syria's debt to the former Soviet Union)

**Inflation (2000):** 1.5%

**Unemployment (2000):** 9% (Some estimates are as high as 20%)

**Armed Forces (2002):** personnel, 319,000; tanks, 4,700 (including ca. 1,200 in storage); combat aircraft, 611

\*In addition, approximately 20,000 Arabs and 20,000 Israeli settlers live in the Israeli-occupied Golan Heights territory (2001 estimate).

“removing bureaucratic obstacles to the flow of domestic and foreign investments.” President Bashar has supported further measures, including abolition of multiple currency exchange rates, expansion of free trade zones, and tentative approval of draft laws to establish a stock market and permit private banks as long as they are at least 51% Syrian owned. On March 18, 2001, the Syrian parliament passed a banking secrecy law designed to pave the way for establishment of private banks. Appointment of a new cabinet on December 23, 2001, with new ministers in the economic portfolios is being interpreted by some analysts as an indication that the Syrian President will try to carry out further economic reforms.

Syria’s relations with its neighbors have been marred in the past by border problems (with Turkey and Israel), disputes over water sharing (with Turkey and Iraq), and political differences (sometimes with Jordan and—until recently—with Iraq, which is governed by a rival wing of the Ba’th Party); Iraq, in particular, resented Syrian support for Iran during the Iraq-Iran war of 1980-1988 and Syrian support for the allied coalition that expelled Iraq from Kuwait in 1991. Syrian relations with all three neighbors have improved, however, since the late 1990s. Most recently, tensions with Turkey began to diminish in late 1998 after Syria agreed to expel leaders of a dissident Turkish group, the Kurdistan Labor Party (PKK), which has carried on an insurgency against the Turkish government since 1984. Syrian-Turkish trade increased from almost nil in 1998 to \$724 million in 2000 and is projected at \$1 billion in 2001. On June 19, 2002, Syria and Turkey signed a military cooperation agreement, described in press reports as dealing mainly with joint training.

On October 8, 2001, the United Nations General Assembly elected Syria to a non-permanent seat on the U.N. Security Council. U.S. officials had earlier expressed concern about Syria’s candidacy as long as it was not in full compliance with U.N. resolutions on Iraq (see below). In keeping with long-standing policy, the United States did not disclose its vote. After the U.N. election, a State Department spokesman said the United States expects Syria to meet its obligations to respect human rights and fulfill all Security Council resolutions.

## **Syrian-U.S. Bilateral Issues**

### **Arab-Israeli Peace Negotiations**

Syrian-Israeli negotiations remain deadlocked over Syria’s demand that Israel withdraw unconditionally from the Golan Heights, a 450-square mile portion of southwestern Syria that Israel occupied during the 1967 Arab-Israeli war. The late President Asad said he accepted the principle of “full withdrawal for full peace” and would establish peaceful, normal relations with Israel in return for Israeli’s withdrawal from Golan (and from southern Lebanon as well). Israeli governments have differed over the question of withdrawal, but all have demanded a prior Syrian commitment to establish full diplomatic relations and agree to security arrangements before any withdrawal takes place.

Furthermore, Syria and Israel disagree over what would constitute full withdrawal, because of slightly differing boundary lines defined in the past. Israel regards the boundary as the international border established in 1923 between what was then the British-controlled territory of Palestine and the French-controlled territory of Syria, while Syria believes it

should be the line where Syrian and Israeli forces were deployed on the eve of the June 1967 war. The latter boundary line, among other things, would give Syria access to the northeastern shore of the Sea of Galilee (also known as Lake Kinneret or Lake Tiberias).

After a hiatus of almost 4 years, teams headed by then Israeli Prime Minister Ehud Barak and Syrian Foreign Minister Faruq al-Shar'a held two rounds of talks in Washington and West Virginia in December 1999 and January 2000, respectively, at the invitation of then President Clinton. Further talks, however, failed to materialize as the parties disagreed over the sequence of discussions. Syria wanted to address border issues before dealing with other topics, while Israel wanted to concentrate first on security, water, and future bilateral relations. A meeting in Geneva between then Presidents Clinton and Hafiz al-Asad in March 2000 produced no agreement; Israeli territorial proposals conveyed by Clinton were unacceptable to Asad, who insisted on full Israeli withdrawal to the June 1967 border. In his inaugural address in July 2000, President Bashar al-Asad stated that "we are in a hurry for peace, because it is our option," but added that "we are not prepared to concede territory." Other Syrian officials have reiterated this position.

President Bush, welcoming the new Syrian Ambassador on March 13, commented that "Syria and the United States share a commitment to achieving a comprehensive, just, and lasting peace in the Middle East, based on United Nations Security Council Resolutions 342 and 338, and the land-for-peace principles of the landmark Madrid Conference [of October 1991]. The Syrian Ambassador responded that "(w)e confirm our commitment to the peace process to achieve a comprehensive, just, and lasting peace that is based on United Nations relevant resolutions, the Madrid terms of reference, and the land for peace principle..."

Syrian spokesmen, however, have increasingly criticized Israeli policies since the outbreak of Israeli-Palestinian clashes in late September 2000 and the election of the hard-line Israeli Prime Minister Ariel Sharon in February 2001. At an Arab summit conference on March 28, 2001, the Syrian President described Israelis who voted for Prime Minister Sharon as "more racist than the Nazis." On May 5, when welcoming Pope John Paul II to Damascus, Asad condemned Israel for what he described as violations of the sanctity of Muslim and Christian holy places in Jerusalem and Bethlehem. Without mentioning Israel or the Jewish people by name, Asad went on to condemn those who "try to kill all the principles of divine faiths with the same mentality of betraying Jesus Christ ... in the same way that they tried to commit treachery against the Prophet Muhammad." (Asad made no public comments after a subsequent meeting with the Pope in Rome on February 21, 2002.) On January 19, 2002, Syria's representative to the United Nations described the demolition of Palestinian homes in the Israeli-occupied Gaza territory by Israeli military units as "not much different from the scene of the World Trade Center." Each of these comments drew rebukes from the U.S. State Department, and Secretary of State Colin Powell described Syrian remarks comparing the Gaza house demolitions with the September 11 terrorist attacks as "hysterical."

At an Arab summit conference on March 27-28, 2002, Syria joined other Arab states in endorsing a peace initiative by Saudi Arabia's Crown Prince Abdullah involving full Israeli withdrawal from Arab territories occupied since 1967 in return for normal relations with Israel in the context of a comprehensive peace. In elaborating on Syria's position, President Bashar al-Asad described the initiative as a "first step" and said "what is required is a mechanism" to implement the plan. He also demanded that Israel commit itself publicly

to returning occupied Arab lands and maintained that “for us, terrorism comes from Israel.” Meanwhile, Syria abstained on U.N. Security Council Resolution 1397 (March 12, 2002) and boycotted the vote on a follow-on resolution (Resolution 1402, March 30), both calling for cessation of violence in Israel and the Palestinian territories. Syria objected to the resolutions on grounds that they did not meet Arab concerns and did not condemn Israeli attacks on Palestinians. An unnamed Syrian official described President Bush’s June 24 speech on the Israeli-Palestinian conflict as “written from a completely Israeli perspective” and said it would not solve the problems it sought to address. Later, on the eve of a visit to British Prime Minister Tony Blair in December 2002, President Bashar al-Asad called U.S. peacemaking proposals “extremely biased in favor of Israel.”

## **Syrian and Israeli Roles in Lebanon**

Syrian Army units moved into large parts of northeastern and central Lebanon shortly after civil strife began in that country in 1975. Syrian forces have remained there since 1976, ostensibly under an Arab League peace-keeping mandate; most sources estimate current Syrian military strength in Lebanon at 30,000-35,000. Meanwhile, Israel occupied a portion of Lebanon between 1982 and 1985 in an operation designed to root out armed Palestinian guerrillas from southern Lebanon. From 1985 until May 2000, Israel maintained a 9-mile wide security zone in southern Lebanon, enforced by Israeli military patrols and an Israeli-funded Lebanese militia called the Army of South Lebanon (ASL). At an Arab League sponsored meeting at Taif, Saudi Arabia in October 1989, the Lebanese Parliament agreed on a revised formula for power sharing within the Lebanese government; it also adopted a plan for reestablishment of central authority and phased Syrian redeployment to the eastern Biqā’ (Bekaa) Valley within two years of the agreement’s implementation, after which Lebanon and Syria would agree on the ultimate status of Syrian forces in eastern Lebanon.

U.S. Administrations and Members of Congress have expressed the view that Syrian forces should have redeployed in accordance with the Taif Agreement by 1992, and have also criticized Syrian toleration of the presence of the pro-Iranian Hizballah militia in southern Lebanon. Syrian officials and pro-Syrian Lebanese have countered that not all conditions of the Taif Agreement have been met so far, and that the Lebanese armed forces are not yet capable of maintaining internal security. Prior to May 2000, Syrian and Lebanese leader also argued that Syrian forces should remain in Lebanon as long as Israel maintained its security zone in southern Lebanon, and that Hizballah activity constituted legitimate resistance activity in southern Lebanon as long as Israeli forces were present.

On May 24, 2000, Israel unilaterally withdrew its forces from the security zone in southern Lebanon. Barak had hoped to do this in the context of an agreement with Syria that would guarantee the security of northern Israel. On June 7, then Secretary of State Albright noted that Israel had fulfilled its obligations by withdrawing from Lebanon and said “I think that the Syrians should do so also.” Lebanon and Syria claim that a complete Israeli withdrawal should have included a small enclave at the eastern end of the Israeli security zone called “the Shib’a (Chebaa) Farms,” which they assert is part of Lebanon but Israel considers part of the Golan Heights. (For further information, see CRS Report RL31078, *The Shib’a Farms Dispute and its Implications*, August 7, 2001, by Alfred B. Prados.) The Shib’a Farms enclave remains a source of tension, as Israeli forces periodically target Hizballah, as well as Syrian, positions in retaliation for Hizballah raids on Israeli forces in

the Shib'a Farms area. (For further information on the Syrian role in Lebanon, see CRS Issue Brief IB89118, *Lebanon*, by Clyde R. Mark.)

In June 2001, Syria redeployed approximately 6,000 troops that had been stationed in Beirut and its environs, leaving only a few Syrian outposts in the greater Beirut area. It is not clear whether these redeployments resulted in a reduction in overall Syrian strength in Lebanon. According to press reports, some of the redeployed Syrian troops joined other Syrian units in more distant parts of Lebanon, while others returned to Syria. Observers variously described the Syrian move as an effort to mollify Lebanese opponents of the Syrian troop presence, to avoid a potential confrontation with Israel, or to protect the Syrian regime in Damascus against some internal threat. In April 2002, a further redeployment apparently began, as additional Syrian troops reportedly moved from the central mountains of Lebanon to the eastern Biqa' Valley or back to Syria.

## Relations with Iraq

Since 1997, Syria's relations with its former adversary Iraq have improved markedly. The two countries have exchanged diplomatic missions, though not at the ambassadorial level, and trade relations have expanded. In August 2001, Syrian Prime Minister Muhammad Mero visited Iraq in an effort to strengthen diplomatic ties and implement trade agreements. According to news reports, bilateral trade increased from \$500 million in 2000 to \$1 billion in 2001. In recent years, Syria has expressed opposition to the use of military force against Iraq and called for lifting economic sanctions, while publicly urging Iraq to comply with pertinent U.N. Security Council resolutions. In an interview published on June 18, 2002, President Bashar al-Asad warned that any military attack on Iraq would be a mistake and said "[n]o country in the world has the right to change the system [of government] in another country." An official Syrian newspaper criticized President Bush's speech to the United Nations on September 12 as being focused on only one issue (Iraq) while ignoring "the fundamental issue in our region," which it described as Israel's occupation of Arab territories.

On November 8, 2002, Syria joined the other members of the U.N. Security Council in voting for Resolution 1441, which cited Iraq as remaining in "material breach" of its obligations and mandated an enhanced weapons inspection regime in Iraq, despite widespread predictions that Syria would vote against or abstain on the resolution. Some commentators suggested that in supporting the resolution, Syria was trying to avoid diplomatic isolation and maintain a working relationship with the United States. A Syrian official told Reuters news agency on November 9 that Syria voted for the resolution "with the aim of saving Iraq from a military strike and safeguarding its (Iraq's) interest." On November 13, the Syrian Foreign Minister took the position that Resolution 1441 does not automatically authorize an attack on Iraq and said Syria would not participate in any strike against Iraq "outside the framework of the United Nations." During a visit to London on December 17, President Asad expressed optimism that Iraq will continue to cooperate with the U.N. weapons inspectors but voiced concern that the inspectors may "subject themselves to the desires of the United States." Prior to the visit, President Asad told a British newspaper that a war with Iraq would create "fertile soil for terrorism." There has been press speculation, however, that the United States might seek limited cooperation from Syria in the event of an allied attack on Iraq, such as exercising restraint on the Lebanese Shi'ite

Muslim militia Hizballah, refraining from military intervention in a U.S. campaign, and assisting with search and rescue operations.

**Oil from Iraq.** Since November 2000, there have been reports that Iraq has been shipping between 120,000 and 200,000 barrels of oil per day through a recently reopened 550-mile pipeline through Syria. Analysts believe Syria is buying Iraqi oil at a discount of \$2 or \$3 per barrel and selling its own oil at international market prices. According to a *Los Angeles Times* article of January 29, 2002, Syria may be earning \$50 million or more per month from these oil transactions. Syrian and Iraqi officials have maintained that the pipeline is only being tested for future use. Previously, after a visit to Damascus on February 27, 2001, U.S. Secretary of State Colin Powell told reporters that President Bashar al-Asad had agreed to handle any oil shipments from Iraq through Syria in accordance with the U.N.-approved oil-for-food program for Iraq. There is no evidence yet that Syria has complied with this commitment; however, no international agreement has been reached to place these shipments and similar illicit Iraqi oil shipments to other countries under U.N. control.

On February 14, 2002, the *Washington Post* quoted Syrian Ambassador to the United States Rostom Zoubi as saying that Syria received some Iraqi oil in the process of checking the pipeline but did not pay for it; Zoubi reportedly said Syria would apply to the U.N. Security Council to handle future shipments through this pipeline (as well as shipments through a second more economical pipeline they hope to build) under the U.N.-approved oil-for-food program for Iraq. Subsequently, on June 4, Syria's U.N. ambassador denied that Syria is violating U.N. resolutions by purchasing Iraqi oil and allowing civil air flights between Syria and Iraq and went on to say that "wherever it is necessary, we are asking permission for everything."

**Military Equipment to Iraq.** During 2002 there have been increasing reports that Syria has become a conduit for shipments of military equipment from eastern European countries to Iraq. Alleged suppliers include Ukraine, Belarus, the Czech Republic, Hungary, Bulgaria, and Serbia. In late April 2002, three recent Iraqi military defectors told a British newspaper (*The Guardian*, April 29, 2002) that the first of three arms consignments bound for Iraq had arrived in the Syrian port of Latakia on February 23. The defectors said the shipment came from the Czech Republic and contained anti-aircraft missiles, rockets, and guidance systems for SCUD surface-to-surface missiles. According to an article by one of Israel's foremost military journalists in the Israeli newspaper *Haaritz* on July 15, 2002, Syria is facilitating the transshipment to Iraq of Russian-made jet engines and refurbished tank engines, Czech anti-aircraft guns, radar, and engines bought from the Ukraine for Russian-manufactured MiG-29 fighter aircraft and other equipment from Hungary and Serbia. A leading U.S. defense expert told a congressional committee on July 31 that deliveries of military equipment to Iraq through Syria have "become significant since mid-2001," mainly consisting of spare parts and weapons assemblies for MiG and Sukhoy combat aircraft, for armored equipment, and for ground-based air defense weapons. He commented that so far these shipments have probably had "only a limited impact on the overall readiness of Iraqi forces."

Both the Czech and Hungarian governments denied that they had exported military equipment to Syria in recent years, although the Czech spokeswoman did not rule out the possibility of smuggling. In an interview quoted by Associated Press on July 16, Syrian

Ambassador to Washington Mikhail Wehbe accused Israel of fabricating the *Haaritz* story in an effort to damage U.S.-Syrian relations.

## Arms Proliferation

On June 25, 1998, the Clinton Administration reportedly said Syria has an active chemical weapons program and has armed missiles, combat aircraft, and artillery projectiles with the nerve gas sarin. A subsequent CIA report to Congress covering the period January to June 2001 stated that “Syria sought chemical weapon related precursors and expertise from foreign sources, maintains a stockpile of the nerve agent sarin and appears to be trying to develop more toxic and persistent nerve agents.” The report also thought it highly probable that Syria is developing an offensive biological weapons capability as well.

In a speech to the Heritage Foundation on May 6, 2002, Undersecretary of State for Arms Control and International Security John R. Bolton grouped Syria with Libya and Cuba as rogue states that support international terrorism (see below) and are pursuing the development of mass destruction weapons (WMD). On October 9, 2002, Undersecretary Bolton reportedly told the Senate Foreign Relations Committee that “[w]e remain very concerned that nuclear and missile programs of Iran and others, including Syria, continue to receive the benefits of Russian technology and expertise.” The allusion to nuclear programs prompted a complaint from the Syrian Foreign Ministry, which averred that Syria has been calling for a WMD-free zone in the Middle East since 1987. In response to media queries, the State Department noted that, according to a CIA report, in January 2000 Russia approved an agreement with Syria that included cooperation on civil nuclear power. The CIA report went on to say that “[b]roader access to Russian expertise could provide opportunities for Syria to expand its indigenous capabilities, should it decide to pursue nuclear weapons.”

Russian officials have talked of reviving former Syrian-Soviet military links and helping Syria modernize its inventory of older Soviet equipment, much of which is now obsolescent. On April 2, 1999, the Clinton Administration imposed sanctions on three Russian firms—Tula Design Bureau, Volsky Mechanical Plant, and Central Research Institute for Machine Tool Engineering—for supplying antitank weapons to Syria. The Administration also determined that the Russian government was involved in the transfer but waived sanctions against the Russian government on grounds of national interest. News agencies have reported that Syria is seeking a \$2 billion arms package including fighter jets (SU-17s or MiG-29s), T-80 tanks, and antitank and antiaircraft weapons from Russia; reports continue to mention the SA-10 (S-300) air defense system. Current status of the package is uncertain. A defense journal in November 2001 mentioned reports that Syria is receiving up to 16 advanced SU-27 fighters from Russia.

U.S. officials are concerned that Syrian acquisition of additional weapons including improved missiles will cause further regional tensions, increase potential threats to Israel, and undermine arms control efforts. Syria resents what it regards as U.S. interference in its attempts to resupply its armed forces.

## Terrorist Activity

Allegations of Syrian involvement with terrorist groups have been a longstanding point of contention between Washington and Damascus. Some observers believe Syria was

involved in the 1983 bombing of the U.S. Marine barracks by Shi'ite Muslim militants in Lebanon, although others have blamed Iran, which had closer ties with the group responsible for this atrocity. Syrian intelligence was implicated in an abortive attempt to place a bomb on an El Al airliner in London in 1986, after which the United States withdrew its ambassador to Syria for a year. Initial reports indicated that the destruction of the Pan American Flight 103 over Lockerbie, Scotland in December 1988 was the work of a Palestinian group headquartered in Damascus and responsive to Syria; however, subsequent international police investigations led the international community to charge Libya with responsibility. Syria agreed to expel PKK leaders in late 1998 at Turkey's insistence (see above), and the State Department believes Syria has "generally upheld its agreement with Ankara not to support the Kurdish PKK."

Since 1979, Syria has appeared regularly on a list of countries which the State Department identifies as supportive of international terrorism (see below). According to the State Department's April 2001 report on terrorism, Syria continued to provide safehaven and support to several Palestinian terrorist groups maintaining camps or facilities in Damascus or in Lebanon's eastern Biqa' (Bekaa) Valley. Moreover, Syria has continued to facilitate resupply of the Lebanese Shi'ite Muslim militia Hizballah, which has conducted raids against Israeli forces in southern Lebanon and sometimes against northern Israel (see above). The State Department adds that Syria appears to have maintained its long-standing ban on attacks launched from Syrian territory or against Western targets. Syria, on its part, maintains that it is prepared to expel militant Palestinian and other groups if provided with direct evidence of their involvement in terrorist activity. On the other hand, Syria acknowledges its support for Palestinians pursuing armed struggle in Israeli occupied territories and for Shi'ite Muslim militias resisting the former Israeli military presence in southern Lebanon; Syria claims that such operations constitute legitimate resistance activity, as distinguished from terrorism.

**Reaction to Terrorist Attacks on the United States.** On September 11, 2001, Syria's official radio reported that President Bashar al-Asad had sent a cable to President Bush "in which he condemned the terrorist attacks that targeted innocent civilians and vital centers in the United States." According to the broadcast, President Asad offered condolences and called for "international cooperation to eradicate all forms of terrorism and guarantee the protection of basic human rights, notably the right of humans to live in security and peace wherever they are." The Syrian government regards most Islamic fundamentalist organizations as destabilizing, and in the early 1980s Syria harshly suppressed local Muslim fundamentalists who had carried out terrorist acts against Syrian government officials. Since the September 11 attacks, a number of reports indicate that Syria has cooperated with the United States in investigating Osama bin Laden's Al Qaeda organization and persons associated with it. In June 2002, press articles reported that Syria has provided the United States with information gained from the interrogation of a key figure in the September 11 planning, Muhammad Hayder Zammar, who was extradited from Morocco to Syria, where he faced pending charges. In mid-June, President Bashar al-Asad told reporters that Syria had provided information to the United States in recent months on a planned Al Qaeda operation that would have killed U.S. soldiers had it succeeded. On June 18, U.S. Assistant Secretary of State William Burns told a congressional panel that "the cooperation the Syrians have provided in their own self-interest on Al Qaeda has saved American lives."

On the other hand, Syria remains unwilling to sever its ties with Hizballah and with militant Palestinian organizations such as Hamas and Palestine Islamic Jihad (PIJ) that have

carried out suicide bombings in Israel and the West Bank. In a speech on April 4, 2002, President Bush noted that “Syria has spoken out against Al Qaeda. We expect it to act against Hamas and Hizballah, as well.” In his speech on June 24, President Bush said nations committed to peace must halt the flow of money, equipment, and recruits to terrorist groups seeking the destruction of Israel, including Hamas, Islamic Jihad, and Hizballah. President Bush added that “Syria must choose the right side in the war on terror by closing terrorist camps and expelling terrorist organizations.” In a subsequent interview published on July 1, President Bashar al-Asad said Syria supports “the Lebanese national resistance, including Hizballah ... politically and in the media because the brothers in the Lebanese resistance do not need military support from Syria.” Regarding Palestinian groups, Asad said “their work is limited to political and media activities” and “their offices in Damascus provide political representation to the 400,000 Palestinians living in Syria ...”

## **Narcotics Traffic**

For some years, the United States classified Syria as a transit country for the drug trade and a suspected site for refining small amounts of narcotics. On November 10, 1997, however, then President Clinton informed Congress of his decision to remove Syria (and Lebanon) from a list of major drug producers or traffickers (see below), citing the effectiveness of joint eradication efforts by these two countries. State Department officials said the decision was taken on its own merits after a standard review process and “it would be an error to read something more into it.” President Clinton warned, however, that the two countries could be reinstated on the list if evidence should so warrant. In a letter to the President on November 14, 1997, 24 Members of Congress questioned the President’s decision and noted that it had not been discussed with Congress. Bills were introduced in both the 105<sup>th</sup> and 106<sup>th</sup> Congress to reverse the President’s decision but were not enacted.

## **Syria’s Human Rights Record and Related Issues**

Syria has been under a state of emergency tantamount to martial law since 1963, except for a brief interval in 1973-1974. In its annual 2001 report to Congress on human rights practices (published in April 2002), the State Department commented that the human rights situation remained poor, and the government continues to restrict or deny fundamental rights, although there were improvements in a few areas. It notes that citizens do not have the right to change their government and that there is no organized political opposition. According to the report, serious abuses include the widespread use of torture in detention; poor prison conditions; arbitrary arrest and detention; prolonged detention without trial; fundamentally unfair trials in the security courts; an inefficient judiciary that suffers from corruption and, at times, political influence; infringement on citizens’ privacy rights; denial of freedom of speech and of the press, despite a slight loosening of censorship restrictions; denial of freedom of assembly and association; some limits on freedom of religion; and limits on freedom of movement.”

In November 2000, the government declared a general pardon for non-political prisoners and an amnesty for 600 political prisoners as well; the State Department believes this is the first time the Syrian government has acknowledged holding prisoners for political reasons. The current number of political detainees is unknown; Amnesty International estimated the number at 1,500 in July 2000 (before the November 2000 releases). Another 140 were reportedly released late in 2001. But two Syrian members of parliament were

sentenced to 5-year jail terms in 2002 for hosting discussion forums without permission, and at least eight other prominent dissidents had been arrested and sentenced to jail as well as of late August 2002.

Syria supports freedom of religion and women's rights to a greater degree than do many Middle East governments. Aside from Lebanon, Syria is the only Arab-speaking country whose constitution does not establish Islam as the state religion, although it does require that the President be a Muslim. In accordance with the largely secular philosophy of the ruling Ba'th Party, the country's Christian community and tiny Jewish minority (see below) have been free to practice their religion without interference; some Christians have held high-level positions in the government and armed forces. Syrian law specifies equal rights for women; government policies stipulate equal pay for similar work; the government discourages conservative religiously based restrictions on women; and women serve in governmental and diplomatic posts. (Twenty-six women won seats in the most recent parliamentary elections.)

Syria's Jewish community, estimated at 3,770 in early 1992, were targets of discrimination and periodic oppression in the past; however, their situation gradually improved under the regime of the late President Hafiz al-Asad. In 1992, then President Asad issued an order lifting travel restrictions and real estate controls on the Syrian Jewish community. According to the State Department human rights report published in February 1995, the Syrian government had "completed issuance of travel permits to all Jews wishing them." In early 1997, U.S. officials said only a few hundred Syrian Jews remained in Syria.

## **U.S. Aid and Sanctions**

Since 1950, the United States has provided a total of \$627.5 million in aid to Syria: \$34.0 million in development assistance, \$438.0 million in economic support, \$155.4 million in food assistance, and \$61 thousand in military training assistance. Most of this aid was provided during a brief warming trend in bilateral relations between 1974 and 1979. Significant projects funded under U.S. aid included water supply, irrigation, rural roads and electrification, and health and agricultural research. No aid has been provided to Syria since 1981, when the last aid programs were closed out. At present, a variety of legislative provisions and executive directives prohibit U.S. aid to Syria and restrict bilateral trade. Principal examples follow. (For a more comprehensive list of sanctions applicable to Syria, see CRS Report RL30644, *Syria: Sanctions and Aid*, August 20, 2000.)

### **General Sanctions Applicable to Syria**

*The International Security Assistance and Arms Export Control Act of 1976* [P.L. 94-329]. Section 303 of this act [90 Stat. 753-754] required termination of foreign assistance to countries that aid or abet international terrorism. This provision was incorporated into the Foreign Assistance Act of 1961 as Section 620A [22 USC 2371]. (Syria was not affected by this ban until 1979, as explained below.)

*The Export Administration Act of 1979* [P.L. 96-72]. Section 6(i) of this act [93 Stat. 515] required the Secretary of Commerce and the Secretary of State to notify Congress before licensing export of goods or technology valued at more than \$7 million to countries

determined to have supported acts of international terrorism (Amendments adopted in 1985 and 1986 re-lettered Section 6(i) as 6(j) and lowered the threshold for notification from \$7 million to \$1 million.)

A by-product of these two laws was the so-called “terrorism list.” This list is prepared annually by the State Department in accordance with Section 6(j) of the Export Administration Act. The list identifies those countries that repeatedly have provided support for acts of international terrorism. Syria has appeared on this list ever since it was first prepared in 1979; it appears most recently in the State Department’s annual publication *Patterns of Global Terrorism: 1998*, published in April 1999. Syria’s inclusion on this list in 1979 triggered the above-mentioned aid sanctions under P.L. 94-329 and trade restrictions under P.L. 96-72.

*Omnibus Diplomatic Security and Antiterrorism Act of 1986* [P.L. 99-399]. Section 509(a) of this act [100 Stat. 853] amended Section 40 of the Arms Export Control Act to prohibit export of items on the munitions list to countries determined to be supportive of international terrorism, thus banning any U.S. military equipment sales to Syria. (This ban was reaffirmed by the Anti-Terrorism and Arms Export Amendments Act of 1989 — see below.) Also, 10 U.S.C. 2249a bans obligation of U.S. Defense Department funds for assistance to countries on the terrorism list.

*Omnibus Budget Reconciliation Act of 1986* [P.L. 99-509]. Section 8041(a) of this Act [100 Stat. 1962] amended the Internal Revenue Code of 1954 to deny foreign tax credits on income or war profits from countries identified by the Secretary of State as supporting international terrorism. [26 USC 901].

*The Anti-Terrorism and Arms Export Control Amendments Act of 1989* [P.L. 101- 222]. Section 4 amended Section 6(j) of the Export Administration Act to impose a congressional notification and licensing requirement for export of goods or technology, irrespective of dollar value, to countries on the terrorism list, if such exports could contribute to their military capability or enhance their ability to support terrorism.

Section 4 also prescribed conditions for removal of a country from the terrorism list: prior notification by the President to the Speaker of the House of Representatives and the chairmen of two specified committees of the Senate. In conjunction with the requisite notification, the President must certify that the country has met several conditions that clearly indicate it is no longer involved in supporting terrorist activity. (In some cases, certification must be provided 45 days in advance of removal of a country from the terrorist list.)

*The Anti-Economic Discrimination Act of 1994* [Part C, P.L. 103-236, the Foreign Relations Authorization Act, FY1994-1995]. Section 564(a) bans the sale or lease of U.S. defense articles and services to any country that questions U.S. firms about their compliance with the Arab boycott of Israel. Section 564(b) contains provisions for a presidential waiver, but no such waiver has been exercised in Syria’s case. Again, this provision is moot in Syria’s case because of other prohibitions already in effect.

*The Antiterrorism and Effective Death Penalty Act of 1996* [P.L. 104-132] requires the President to withhold aid to third countries that provide assistance (Section 325) or lethal military equipment (Section 326) to countries on the terrorism list, but allows the President

to waive this provisions on grounds of national interest. A similar provision banning aid to third countries that sell lethal equipment to countries on the terrorism list is contained in Section 549 of the Foreign Operations Appropriation Act for FY2001 (H.R. 5526, passed by reference in H.R. 4811, which was signed by President Clinton as P.L. 106-429 on November 6, 2000).

Also, Section 321 of P.L. 104-132 makes it a criminal offense for U.S. persons (citizens or resident aliens) to engage in financial transactions with governments of countries on the terrorism list, except as provided in regulations issued by the Department of the Treasury in consultation with the Secretary of State. In the case of Syria, the implementing regulation prohibits such transactions “with respect to which the United States person knows or has reasonable cause to believe that the financial transaction poses a risk of furthering terrorist acts in the United States.” (31 CFR 596, published in the Federal Register August 23, 1996, p. 43462.) In the fall of 1996, the Chairman of the House International Relations Committee reportedly protested to then President Clinton over the Treasury Department’s implementing regulation, which he described as a “special loophole” for Syria. Several subsequent measures were introduced in previous Congresses to forbid virtually all financial transactions with Syria but were not enacted.

Section 434 of the Foreign Operations Appropriations Act for FY2001 (H.R. 5526, passed by reference in H.R. 4811, P.L. 106-429, November 6, 2000) bars arms sales to any country not in compliance with U.N. Security Council sanctions against Iraq. This ban would be applicable to Syria if Iraq exports oil to Syria without U.N. permission. In practice, the issue would be moot because of similar sanctions already in effect against Syria.

## **Specific Sanctions against Syria**

In addition to the general sanctions listed above, specific provisions in foreign assistance appropriations enacted since 1981 have barred Syria by name from receiving U.S. aid. The most recent ban appears in the Foreign Operations Appropriations Act, FY2002 (P.L. 107-115, January 10, 2002). Section 507 bars the obligation or expenditure of funds appropriated under this act for any direct assistance or reparations to seven specified countries, including Syria. Section 523 also prohibits indirect assistance or reparations to seven specified countries including Syria; however, it provides for a presidential waiver, which has been exercised routinely on grounds that withholding funds to multilateral development banks and other international organizations and programs under this limitation would be contrary to the national interest. Section 527 bans bilateral aid to countries identified as supporting international terrorism.

Section 307 of the Foreign Assistance Act of 1961, amended by Section 431 of the Foreign Relations Authorization Act for FY1994-1995 (P.L. 103-236, April 30, 1994), requires the United States to withhold a proportionate share of contributions to international organizations for programs that benefit eight specified countries or entities, including Syria. Section 512 of H.R. 5526 (P.L. 106-429), sometimes known as the Brooke Amendment after an earlier version of this provision, bans assistance to any country in default of to the United States for over a year. As of December 31, 1998 (latest figures available), Syria owed the United States \$238 million, mainly in loans under the Commodity Credit Corporation or from the U.S. Agency for International Development (USAID) remaining from the period when Syria received U.S. assistance.

Drawing on appropriate legislation, U.S. Administrations have imposed detailed trade restrictions on exports to Syria. Under Section 6(j) of the Export Administration Act of 1979, trade controls were instituted after Syria was designated as a country supporting international terrorism in 1979, and further controls were imposed after Syrian intelligence was implicated in an abortive airline bombing in 1986. At present, the Department of Commerce list 31 categories of exports requiring a validated license for shipment to Syria; these include aircraft, vessels, most vehicles, parts, machine tools, computer equipment, and other high technology goods. (Routine exports like foodstuffs are exempt from these controls.) Moreover, the Commerce Department generally denies export licenses for dual use equipment or to military end-users in Syria. In 2001, Syria ranked 99<sup>th</sup> among U.S. trading partners, with \$142.9 million in U.S. imports from Syria (mainly mineral oils and fuels, antiques, apparel, spices) and \$224.7 million in U.S. exports to Syria (mainly cereals, machinery, appliances and parts, tobacco, vehicles, and fabrics). These figures represent a slight decrease in U.S. imports from Syria (\$149.6 million in 2000) and a slight increase in U.S. exports to Syria (\$219.0 million in 2000).

## **Recent Congressional Action**

On April 18, 2002, similar bills were introduced in the House (H.R. 4483) and the Senate (S. 2215)—both entitled The Syria Accountability Act of 2002—that would impose additional U.S. sanctions against Syria unless it halts support for international terrorism, ends its occupation of Lebanese territory, stops the development of mass destruction weapons, and ceases illegal imports of Iraqi oil. Sanctions would include a ban on any dual use item; a ban on financial assistance including loans and credit to U.S. businesses dealing with Syria; and prohibition of programs of the Overseas Private Investment Corporation in or with respect to Syria. In addition, under the House bill, the President would be required to impose two or more of a menu of six other sanctions, including a ban on all exports to Syria except food and medicine, a ban on U.S. businesses operating or investing in Syria, a ban on landing in or overflight of the United States by Syrian aircraft, reduction of diplomatic contacts with Syria, restrictions on travel by Syrian diplomats in the United States, and blocking of transactions in Syrian property. The menu in the Senate bill is similar but does not include the ban on landing and overflights by Syrian aircraft. In press interviews on September 3 and 4, a U.S. State Department official said the Bush Administration disapproves of the proposed legislation; the official was quoted as saying it would restrict the President’s maneuverability in dealing with Middle East affairs.

Hearings on H.R. 4483 were held by the House International Relations Committee, Subcommittee on the Middle East and South Asia, on September 18, 2002. At the hearings, several witnesses expressed the view that the additional sanctions contained in H.R. 4483 are needed to put pressure on Syria to stop supporting terrorist groups and alter other policies that have a destabilizing effect on the Middle East region, such as the Syrian troop presence in Lebanon, illicit oil imports from Iraq, and attempts to develop mass destruction weapons. A State Department representative told the Subcommittee that the Administration believes imposing new sanctions on Syria at this time “would severely limit our ability to address a range of important issues” with the Syrian government; he noted that Syrian cooperation in the U.S. struggle against Al Qaeda had been substantial and had helped save American lives.

On May 14, President Bush signed H.R. 3525, the Enhanced Border Security and Visa Entry Reform Act of 2002 (P.L. 107-173), which bans non-immigrant visas to any alien from

any country that sponsors international terrorism unless the Secretary of State and other senior U.S. officials certify that such alien does not pose a threat to U.S. national security.

## **Alternatives and Implications**

Debate has continued within U.S. Administrations and Congress over the lengths to which the United States should go in seeking to enlist Syrian support for U.S. endeavors in the Middle East. According to one theory, normal bilateral relations should be contingent upon improvements in Syria's human rights record, a clear renunciation of terrorism and narcotics trafficking, and reversal of other policies deemed inimical to U.S. interests. Advocates of this view are particularly concerned over any possibility that the Administration has made promises to ease sanctions (for example, removing Syria from the terrorism list) to obtain Syrian cooperation in regional affairs. They tend to discourage bilateral contacts such as visits by Syrian officials, which they see as a potential vehicle for trapping a U.S. Administration into premature concessions. They favor continued legislation to ensure that relaxation of sanctions can occur only with congressional approval.

Those who support this first approach see little prospect for a long-term relationship with the Syrian regime, which they consider basically antithetical to U.S. interests and values. They see Syria's alignment with the coalition and agreement to attend peace talks as tactical moves that offered Syria an end to regional isolation, a free hand in Lebanon, and access to financial support from the Gulf states. They point to Syria's lack of flexibility on Arab-Israeli issues, periodic bellicose pronouncements from Damascus, unwillingness to consider Israeli compromise proposals on border definition, friendship with Iran (and warmer relations with Iraq), and ongoing rearmament efforts as indications that Syria will remain a threat to regional stability. They warn that efforts to bring about a closer relationship with Syria's leaders risk repeating the earlier disastrous policy of courting Saddam Hussein.

According to a second theory, quiet diplomacy aimed at encouraging Syria to play a constructive and responsible role in regional affairs could yield benefits. Proponents of this approach do not advocate the immediate termination of sanctions (such as removing Syria from the terrorism list) without further action on Syria's part; however, they support wider contacts between diplomatic and security officials of the two countries to discuss sensitive issues, seek common ground, and identify possible areas of cooperation. They favor a series of small, reciprocal steps that could lead to a warmer relationship over time. Rather than legislative sanctions, they generally prefer an arrangement under which the Administration has the flexibility to apply or ease sanctions in accordance with the current state of bilateral relations.

Those who favor the second approach believe that a better relationship with Syria could enhance prospects for achieving U.S. objectives. They point to limited U.S.-Syrian cooperation in some areas such as Syrian assistance in providing information on Al Qaeda. More important, they see Syrian support as an essential ingredient in the search for an Arab-Israeli settlement; previous peace efforts, like the Camp David Accords of 1978 and the Reagan plan of 1982, have shown that a lasting solution is unlikely without Syrian involvement. Advocates of this approach point out that the late President Asad, though a difficult negotiator, proved generally reliable in honoring agreements once he has accepted them. (For example, Syria has routinely observed the terms of the 1974 disengagement

agreement in the Golan region.) They believe the future course of U.S.-Syrian relations will affect significantly the outlook for regional security and lasting peace in the Middle East.