

Syria in Transition

Aleppo's economic revival hinges on real security

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With sanctions lifted and trade routes reopening, Aleppo can once again become Syria's industrial and business hub. But the promise of recovery remains fragile so long as the city is governed by a volatile security situation that tolerates armed enclaves beyond state control.

Aleppo has entered – in theory – a phase of reconstruction and economic growth following the lifting of Caesar Act sanctions and the gradual reopening of transport and trade channels with neighbouring states, particularly Turkey. As promising as this opportunity is in attracting Aleppine diaspora capital, it will remain a pipedream so long as the city continues to be governed by a security situation that is volatile and that generates recurring instability. The core of the problem is the presence of armed militia enclaves beyond state control embedded within the urban fabric.

Security rollercoaster

Economies fear more than anything *unpriceable* risk. When a city the size of Aleppo is exposed to security threats, investors are left asking: who guarantees our security? Who do we hold accountable if something goes wrong? Who can prevent the next escalation? This is why talk of lifted sanctions, reopened crossings, or transit agreements is only attractive headlines for now. These are tools for encouraging economic activity, not foundations. The foundational condition is the state's monopoly over the legitimate use of force: within Aleppo, and in the country as a whole.

From this perspective, the districts of Sheikh Maqsoud and Ashrafiyah should be addressed first and foremost as a matter of urban sovereignty. Attempts to reframe the problem as an Arab-Kurdish conflict are deeply misleading and serve only to delay genuine solutions. The issue is not Syria's Kurdish citizens, an integral national component, but the militia model that insists on controlling neighbourhoods and using them as political and security leverage. In doing so, it inflates the risk premium of the entire city.

Aleppo's recent history illustrates clearly how such enclaves behave at critical moments. In 2016, Kurdish forces – specifically the YPG, notwithstanding later claims by the SDF that it had no presence – played a supporting role in the Assad regime's siege of opposition-held east Aleppo. By cutting off the Castello Road and seizing the neighbourhood of Bani Zayd

and the Youth Housing complex, these forces materially reshaped supply lines in the regime's favour and contributed directly to the city's eventual fall.

The same logic resurfaced in November 2024, following Aleppo's liberation during Operation Deterrence of Aggression. Kurdish militias again attempted to expand their footprint inside the city, briefly seizing sensitive sites including Aleppo International Airport, before being compelled to withdraw. The political meaning here lies not in the tactical back-and-forth that observers of the Syrian war have become accustomed to, but in the manufacture of security tensions followed by their conversion into bargaining power or outright blackmail.

More alarming still is that this pattern has been accompanied by documented abuses. In the period 8 December 2024 to 30 January 2025, these militias were responsible for the killing of more than 65 civilians. This was followed by repeated shelling of Aleppo neighbourhoods in October and December 2025, resulting in the deaths of both civilians and Syrian army personnel. Such incidents generate enduring resentment, deepen social fractures, and destroy the civic-security trust without which economic investment cannot return, and Aleppo cannot reclaim its historic role as an industrial and commercial hub.

Decisive action

The most recent escalation made clear that civilians on both sides of the frontlines bear the human cost. The continued existence of armed enclaves produces a cycle of escalation, endlessly repeatable and always at civilians' expense. Nothing is more destructive for urban economics than periodic armed escalation: it prevents medium-term planning, drives renewed internal displacement, strains markets and services, and renders the city hostage to zero-sum politics.

Against this backdrop, the Syrian government has opted for military intervention to dismantle these enclaves and remove militias entrenched in Ashrafiyah, Sheikh Maqsoud, and adjacent districts. Humanitarian corridors have been opened for civilians, and a deadline set for the commencement of direct military action. All indications suggest that the government is determined to resolve this file decisively and once and for all, judging that the cost of any alternative solution in the long-run would ultimately be higher.

SDF integration after Aleppo is settled

In this context, talk of integrating the SDF into the Syrian army, in vague or abstract terms, becomes deeply misleading unless it begins with two clear conditions. First, a strict distinction must be drawn between arrangements in the eastern provinces (Raqqqa, Hassake, Deir Ezzor) and the situation in Aleppo. Whatever frameworks are under discussion in the east cannot justify the persistence of armed enclaves inside Aleppo. Indeed, one might argue that the “price” of any governmental flexibility on SDF integration into the national army must begin in Aleppo itself: the withdrawal of armed formations from Sheikh Maqsoud, Ashrafiyah, and their surroundings, and the exclusive transfer of security authority to the Ministry of Interior and state institutions, in line with the 1 April 2025 agreement between the government and the SDF.

Second, there can be no institutional integration of individuals implicated in attacks on civilians without a rigorous justice and vetting process, alongside Disarmament, Demobilisation, and Reintegration (DDR) programmes. Incorporating those involved in sniping, deliberate targeting, or enforced disappearances into the army or security services does not produce a “national army”; it embeds militia logic within state institutions, rendering them internally fragile and vulnerable to collapse. A

state seeking stability does not import into its core institutions individuals accused of grave violations or linked to non-Syrian actors, and then expect chain of command and rule-bound conduct to prevail. This applies equally to the government and the SDF.

Herein lies the critical importance of DDR and Security Sector Reform (SSR) as the missing link in any post-conflict stabilisation. These frameworks enable the dismantling of armed structures, the professional and legal reassessment of individuals, and a clear separation between those eligible for reintegration and those who must be held to account.

City re-born but..

Aleppo today stands before a genuine economic opportunity that is contingent on real security. Today that means no armed enclaves beyond state control within the city. When this equation is resolved through measures that protect civilians and reassure Syria's Kurdish community, only then can the opportunities presented by the lifting of the Caesar sanctions be properly realised.