

US-NATO “Economic Terrorism”: The Collapse of Syria’s Industry and Agriculture

By [Prof Michel Chossudovsky](#)
Global Research, January 25, 2013

Region: [Middle East & North Africa](#)

The Syrian economy is being hit by the combined impacts of the US-NATO sponsored terrorist attacks and the economic sanctions regime.

The ultimate objective of the US-NATO covert war on Syria is the destabilization of the Syria economy and the destruction of Syria as a nation state.

Economic destabilization is conducted through various means:

- An economic sanctions regime which has contributed to paralyzing trade and investment,
- Acts of deliberate sabotage and piracy directed against the country’s industrial base.

Confirmed by the Syrian Chamber of Commerce, the Turkish government has sponsored the outright “[stealing of production lines and machines](#) from hundreds of factories in Aleppo city” with a view to disabling Syria’s industrial base.

- The closing down and/or bankruptcy of the country’s industrial enterprises.

According to a recent report: “More than half of the country’s larger factories and small- and medium-sized workshops have shut down”.

“The state-owned Syrian General Organisation of Engineering Industries announced that it had shut eight of the 12 companies it owns because of sabotage, looting, burning of production lines and warehouses, and the destruction of machines.” [albawaba.com](#)

- The destruction of the country’s agricultural base, leading to food shortages, undernourishment and child malnutrition.

The Sanctions Regime

The Obama administration has imposed sweeping sanctions on Syria. The sanctions regime was initiated in August 2011 through the issuing of an [executive order](#) “prohibiting the exportation, sale or supply of services from the United States to Syria.” as well as concurrent legislation by the US Congress.

Obama’s Executive order:

“...blocks investment and the export of oil from Syria. On May 30 [2011], the U.S. levied [sanctions on the Syria International Islamic Bank](#). The Treasury Department said the bank has acted as a front for other Syrian financial institutions seeking to circumvent sanctions. A few days prior to this, the U.S. and around a dozen other countries [expelled Syrian diplomats](#) following a massacre in al-Houla, Syria, that was blamed without conclusive evidence on al-Assad’s military.

In August of 2011, Congress introduced [S.1472](#), a “bill to impose sanctions on persons making certain investments that directly and significantly contribute to the enhancement of the ability of Syria to develop its petroleum resources, and for other purposes.”

In November 2011, the Arab League suspended Syria’s membership and adopted “unprecedented sanctions at a meeting in Cairo by a vote of 19 to three,”

In the United States, the [House Foreign Affairs Committee](#) passed the [Syrian Freedom Support Act](#) by a unanimous vote in March of this year. It is intended to “strengthen sanctions against the Government of Syria, to enhance multilateral commitment to address the Government of Syria’s threatening policies, to establish a program to support a transition to a democratically-elected government in Syria, and for other purposes.” (See [Kurt Nimmo Crippling Sanctions against Damascus](#), Global Research, June 2012)

The Collapse of Syrian Agriculture

The terrorist actions of the US-NATO sponsored “Free Syrian Army” (FSA) and its affiliated death squads directed against civilians including farmers has led to the dislocation of agriculture. The supply of farm inputs including seeds and fertilizer has been disrupted.

The distribution of agricultural goods in urban areas is affected. Terrorist attacks on the transportation and distribution of agricultural commodities is another related factor.

The terror attacks have uprooted small scale agriculture and have led to the devastation of commercial agriculture.

In a recent report, the Food and Agricultural Organization (FAO) confirms a massive drop in agricultural production:

“Twenty-two months of conflict have left Syria’s agricultural sector in tatters with cereal, fruit and vegetable production dropping for some by half and massive destruction of irrigation and other infrastructure, a UN mission has found.

“Destruction of infrastructure in all sectors is massive and it is clear that the longer the conflict will last, the longer it will take to rehabilitate it,” he said.

Of the 10 million Syrians who live in rural areas – about 46 percent of the population – 80 percent derive their livelihoods from agriculture.

...

Wheat and barley production dropped to less than 2 million tonnes last year from 4 to 4.5 million tonnes in normal years.

Vegetable, fruit and olive production declined significantly in both Homs and

Dara'a Governorates, including a 60 percent drop in vegetable production in Homs and a 40 percent drop in olive oil production in Dara'a.

Only 45 percent of the farmers were able to fully harvest their cereal crops while 14 percent reported they could not harvest due to insecurity and lack of fuel. There is a lack of access to agricultural inputs including quality seeds and fertilizers. There is a lack of irrigation due to damage to main irrigation canals especially in Homs and lack of fuel for irrigation pumps. Movement of livestock to grazing areas has not been possible and their survival is compromised by the lack of animal feed and veterinary drugs, the importation of which is hampered by sanctions. The production of poultry, a traditional source of cheap animal protein has also been severely hit with major farms destroyed in Homs, Hama and Idleb. [FAO Media Centre: Syrian agricultural production drops massively as conflict continues](#)

Hikes in Fuel and Gasoline Prices

In recent developments, there have been significant hikes in fuel and gasoline prices which have contributed to disrupting production as well as transportation. These hikes in prices have also led the compression of real purchasing power by households.

The economic sanctions as well as the demise of local industries have led to shortages in essential commodities including medicine.

The monetary system and foreign exchange market are in crisis, characterized by a major decline in the value of the Syrian pound.

The State fiscal structure has been disrupted as the government is no longer able to collect taxes from companies which have closed down.

Reversing the Achievements of Economic and Social Development

Prior to 2011, Syria's external debt was low when compared to other developing countries. Syria's foreign debt burden had been reduced through bilateral rescheduling deals with its main creditors including Russia, Germany, Iran and France. Syria also managed to settle its debt with the World Bank

According to World Bank figures:

- primary school enrollment (% gross) was of the order of 118% (2010),
- life expectancy at birth -which is an indicator of the state of health of the population- was of the order of 76 years, compared to 72 for the Middle East and 65.5 years for the average of lower middle income countries. (World Bank, [Data on the Syrian Arab Republic](#))
- secondary school enrollment was of the order of 72 percent (% gross) [World Bank data on Secondary School Enrollment](#)

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Prof Michel Chossudovsky](#)

About the author:

Michel Chossudovsky is an award-winning author, Professor of Economics (emeritus) at the University of Ottawa, Founder and Director of the Centre for Research on Globalization (CRG), Montreal, Editor of Global Research. He has taught as visiting professor in Western Europe, Southeast Asia, the Pacific and Latin America. He has served as economic adviser to governments of developing countries and has acted as a consultant for several international organizations. He is the author of 13 books. He is a contributor to the Encyclopaedia Britannica. His writings have been published in more than twenty languages. In 2014, he was awarded the Gold Medal for Merit of the Republic of Serbia for his writings on NATO's war of aggression against Yugoslavia. He can be reached at crgeditor@yahoo.com

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca