



THE CURRENT

GEOPOLITICAL IMPLICATIONS OF ILLICIT MARKETS: CAPTAGON AND THE FUTURE OF SYRIA

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The new Syrian government will face many security challenges; however, elimination of the captagon market should be a priority both for supporting reconstruction efforts and for regional security in the long term.

INTRODUCTION

Since the December 2024 collapse of the regime of Bashar al-Assad in Syria, and the subsequent assumption of power by HTS led by Ahmed Hussein al-Sharaa, the country has been undergoing a complex political process. As of March 29, 2025, al-Sharaa announced a second transitional government. The country faces multiple challenges before it establishes a well-function-

ing sovereign state, including but not limited to narcotic production and distribution and the attendant significant financial gain from these activities. The first interim government has already made [dealing with](#) narcotics—considered to be a leftover problem from the prior regime—a priority.

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The Assad regime benefitted from the [production](#) of narcotics, primarily captagon. Toward the end of the regime it became a significant portion of the state revenue. Although the regime is gone, the future of captagon in Syria remains uncertain, as the new government and state actors involved in the transition period have prioritized other political and security issues. In this short analysis, we argue that illicit market structures should be at the center of postconflict and new regime construction processes. Indeed, captagon production and distribution deserve to be one of the central elements of the discussions around Syria's future. Previous cases of illicit markets and criminal groups operating in drug production and smuggling reveal much about how easily these groups adapt to new social and political contexts. The Assad regime's fall does not mean the business networks will collapse; in fact, if not monitored, these networks will negatively affect Syria's social and political reconstruction.

RISE OF CAPTAGON IN SYRIA

As the Arab Spring was spreading throughout the Middle East in 2011, the Assad regime met Syrian protests with brutal force. These violent actions sparked the Syrian civil war that would hold the country in continued crisis for over a decade. Despite widespread destruction, diplomatic isolation, and crippling sanctions targeting Syria's economy and political elites, Assad managed to retain power for 14 years. Given the severity of economic and political constraints, the regime's longevity is striking. This begs the question of how Assad was able to remain in power, despite overwhelming indications that suggested a quick dismantling of the regime. Aside from other political calculations and international support he received, the answer lies largely in illicit trade, especially that of captagon. The production and sale of this illicit substance became the essential lifeline for the regime in a time of civil war, serving as a

financial and diplomatic tool that [proved to be](#) a crucial factor to ensure regime survival.

THE INSTITUTIONALIZATION OF CAPTAGON PRODUCTION

Captagon is a synthetic amphetamine-type stimulant, originally developed in Germany as a medication in the 1960s. It has become a widely popular illicit drug in the Middle East since the 1980s due to its stimulant effects and ease of production. Syria has traditionally only served as a transit country. The drug is also known as "[poor man's cocaine](#)" or "the drug of Jihad," and was listed as a controlled substance in 1986 by the United Nations.

Facing the immense financial pressure of the civil war and state collapse, captagon production under Assad reached industrial scale, turning into a state-aligned, militarily protected industry. A BBC investigation revealed that the Fourth Armored Division, headed by Maher al-Assad, the president's brother, orchestrated and coordinated much of the production and smuggling infrastructure in [collaboration with](#) Hezbollah and the secret police. This facilitated the regime's descent into a narco-state, wherein state resources are fully utilized to support illegal activities. Estimates suggest more than 80 percent of all captagon originates from Syria, catapulting the country to the [number one rank](#) on the Global Organized Crime Index for the synthetic drug trade. Estimates further conclude that the total market for captagon has reached more than 30 billion dollars annually, surpassing the combined earnings by Mexican cartels from the cocaine trade. Assad regime-aligned actors profited highly from this trade—up to \$1.8 billion annually and nearly double the value of all Syria's licit exports [in 2023](#). These profits were crucial, as they funded payrolls for regime militias, intelligence services, and continued military operations. Clearly the borders between the state and organized crime blurred, and the relationship between the two became symbiotic.

CAPTAGON DIPLOMACY: A NEW TOOL

Captagon's utility extended far beyond economics. Assad weaponized the trade as a geopolitical lever. By flooding neighboring states with pills, the regime created a bargaining chip in the form of a public health crisis that [significantly endangered](#) the "social fabric" of the countries in the region. The situation led many regional actors to reconsider diplomatic engagement with Damascus, for which captagon emerged as a central topic. Gulf leaders, facing rising youth addiction and domestic pressure, demanded that Assad rein in trafficking in exchange for normalization and reconstruction aid. Assad responded with a choreographed strategy: reduce shipment sizes, conduct selective arrests, and feign cooperation. [As Glantz and Hancock](#) point out, "the Assad regime [had] little interest in losing the income and the benefits of the trade." This manipulation illustrates captagon's dual function as a destabilizing force and a diplomatic tool. It allowed Assad to create a crisis he could then offer to resolve, positioning himself as indispensable. As Hage Ali [notes](#), this tactic blended governance and extortion, entrenching captagon as a form of political statecraft.

COLLAPSE AND CONTINUITY: A POST-ASSAD NARCOTICS LANDSCAPE

Although HTS now holds power in Damascus, the latest seizures of captagon in the region are [considered](#) an indication that this market is still alive despite the fall of the Assad regime. The interim government led by HTS [declared](#) a crackdown on the captagon trade and signed enforcement agreements with Jordan. Yet despite these gestures, trade in the illicit substance continues apace. In early 2025, Iraqi and Turkish authorities intercepted record-breaking shipments allegedly originating from Syria, with some traffickers [now operating](#) out of Turkish-held and Kurdish-controlled territories. This discovery may indicate production is decentralizing rather than diminishing. Moreover, it demonstrates the deep entrenchment of captagon into the Syrian state, economy, and society.

This model leaves a dangerous legacy. Even after the regime's fall, the trafficking infrastructure, from border syndicates to chemical supply chains, [remains operational](#) and has proven resilient. In addition to the [challenges](#) the new government is facing, such as inadequate funding and lack of technical equipment and expertise to dismantle drug-producing and smuggling networks, it must contend with persistent drug trafficking networks. [Research points to](#) structural explanations for the existence of captagon networks in the region. Captagon trafficking networks were already [reorganized](#) before the collapse of the Assad regime to survive under new conditions. As Syria enters a fragile transitional phase, the economic and political incentives that enabled captagon's rise persist. Without sustained international coordination, investment in licit alternatives, and accountability for former traffickers, the captagon economy risks mutating, not vanishing.

THE CAPTAGON MARKET AFTER ASSAD

After the collapse of the Assad regime, the centralized captagon enterprise has [fragmented](#) into smaller, localized operations. Traditional smuggling hubs, namely the Suwayda and Daraa provinces in southern Syria, remain active and rely on networks and routes around Druze villages. The market continues to spread in the region. Due to state pressure and regional disruption, producers and traffickers are operating in neighboring countries. The [spillover](#) has impacted Iraq, Lebanon, Egypt, Kuwait, and Turkey. The market is also witnessing wider regional involvement and an increased Iranian presence. Hezbollah in Lebanon and Iran-backed militias in Iraq are [actively involved](#) in the captagon trade—Hezbollah is a [key facilitator](#) in moving the drug from Syria into Lebanon.

[Lebanon's Bekaa Valley](#) is a hotbed of the captagon ecosystem, with economic collapse potentially pushing state actors, such as Lebanese soldiers with low wages, into the trade. In Iraq, the first known labs were discovered in 2023,

indicating Iraq's transition from the role of a transit country into that of a production country. These facilities in Iraq are supported by Iranian-supplied materials and by pro-Iran militias that provide logistical assistance to avoid detection. However, with captagon supply declining in 2024, there are signs of a shift toward [crystal meth](#) as producers and traffickers seek alternatives to meet market demand. Consequently, Iran and its proxies are expected to become more involved in the narcotics landscape after Assad's departure. More importantly, captagon has a direct regional impact, as it is a synthetic drug that can be produced virtually anywhere, provided one has the requisite expertise.

POLICY IMPLICATIONS: THE FUTURE OF ILLICIT MARKETS (CAPTAGON) IN SYRIA?

CONTINUANCE OF POST-ASSAD CAPTAGON TRADE

Despite the new government's commitment to combat the captagon trade and the [reported destruction](#) of millions of pills, the illicit market is well established in Syria's conflict-affected economy and will not vanish. [Recent actions](#) by Saudi authorities to intercept over 1.4 million captagon pills from Syria highlight this persistent issue. The involvement of former military officials, local drug lords, and various militias mean this significant source of income is unlikely to be easily relinquished. Despite a decline in state-sponsored, large-scale production post-Assad, current indications suggest an evolution in the captagon trade. Trends reveal a shift toward decentralized, small-scale production and trafficking that often operate beyond Syria's borders. When the state no longer controls the trade, others will inherit its power and use it similarly to ensure their own survival.

NEW HUBS OF CAPTAGON PRODUCTION AND REGIONAL EXPANSION

As noted above, even before the fall of the Assad regime, the production of captagon was

spreading beyond Syria's borders. Consider Iraq: In July 2023, Iraqi authorities [uncovered](#) the first captagon laboratory in Muthanna province, close to the Saudi border. Additionally, the [seizure](#) of 30,000 captagon pills close to the Syrian border highlights increasing activity related to domestic production and trafficking within Iraq. Meanwhile, in Lebanon, authorities are working to reduce the flow of captagon from Syria. The political and economic instability in Lebanon combined with the Lebanese border conflict zones involving Israel and Hezbollah makes the country a critical point of vulnerability in the regional illicit captagon market. In March 2025, authorities at Beirut International Airport [stopped](#) a drug smuggling network between Lebanon and the Gulf countries. Concerns about closer links between Hezbollah and Syrian traffickers suggest captagon profits could strengthen armed groups or political actors, which would further contribute to the instability in Lebanon and across the region. The expansion of captagon beyond Syria shows how the logic of survival is transferring to nonstate actors and regional power players. From Hezbollah in Lebanon to armed factions in Iraq, captagon offers a means of financing, coercion, and legitimacy, mirroring its function under Assad.

TRANSITION TOWARD CRYSTAL METH

While there is optimism that the fall of Assad signals a downward trajectory for the captagon industry, the demand for drugs in the region remains. Disruptions in the captagon supply chain, be it from rising prices or reduced production, could drive traffickers and users to seek crystal meth, a more dangerous alternative. Jordan's military has [intercepted](#) drones from Syria carrying crystal meth. [Reports indicate](#) some facilities in Syria are repurposing facilities for crystal meth, a trade dominated by Iranian organized crime, further complicating the regional illicit drug market. This shift also underscores how the illicit market will evolve to serve the survival needs of different actors

who are navigating a collapsed economy. These actors often use makeshift facilities that lack safety protocols and use hazardous chemicals in the production process, yielding dangerously potent drugs. While captagon was the “Assad-era” survival substance, crystal meth could become the next tool in a broader regional struggle involving former captagon smugglers, ex-users, Iran-backed militias, Gulf states, and transnational criminal groups.

OUTLOOK

Previous cases of state building in [Afghanistan](#), [Liberia](#), and [Sierra Leone](#), and many other countries in [Africa](#), in [the Balkans](#), and in [South America](#) highlight one reality: illicit markets are an important part of the postconflict reconstruction and state-building processes, and addressing criminal markets is an important issue for the reconstruction of a new state. Although the new Syrian government will face many other security challenges, elimination of the captagon market should be a priority in support of reconstruction efforts and for regional security in the long term. If not addressed, the captagon economy and future iterations involving crystal meth and other illicit drugs may no longer serve Assad, but they will continue to empower other state and nonstate actors.

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