

# Economic Deprivation in Northwest Syria

May 2024 | Syria

## 1. Introduction

Thirteen years into the conflict in Syria, the crisis is complex and multi-dimensional. From February 2023 to February 2024, Idlib and Aleppo governorates saw 4,600 instances of explosions or remote violence, battles, and violence against civilians according to ACLED,<sup>1</sup> with a notable escalation of airstrikes and shelling in October 2023.<sup>1-3</sup> This comes on top of over a decade of hostilities that have caused substantial human losses, physical damage to housing and infrastructure, and left 3.4 million people displaced in Northwest Syria (NWS) alone.<sup>4,5</sup> The Syrian economy has suffered heavily under these conditions.<sup>4</sup> The impacts were compounded in February 2023 by earthquakes that, in NWS, cost the lives of around 4,500 people and left a quarter of a million homeless, with even more affected in Türkiye.<sup>6</sup> Between the human losses and extensive damage to infrastructure, the earthquakes deepened the economic crisis and, by extension, adversely affected the livelihoods of the 5 million people living in the area.<sup>7</sup> Today, poverty is one of the leading causes of humanitarian needs across sectors in NWS.<sup>8</sup>

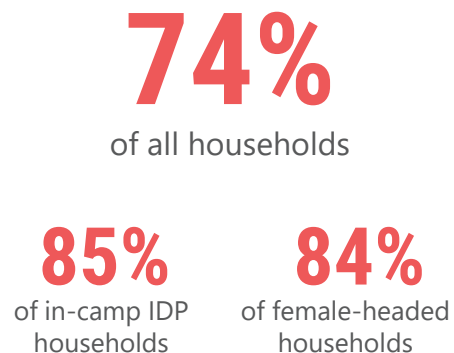
The aim of this factsheet is to provide insights into the economic situation of households in NWS, highlighting the drivers of the crisis and its impacts on various sectors. This is a summary of a full situation overview published [here](#).

## 2. Current State of the Household Economy<sup>8</sup>

### Households' Employment Status<sup>a</sup>



### Households Reporting Insufficient Ability to Meet Needs at time of data collection



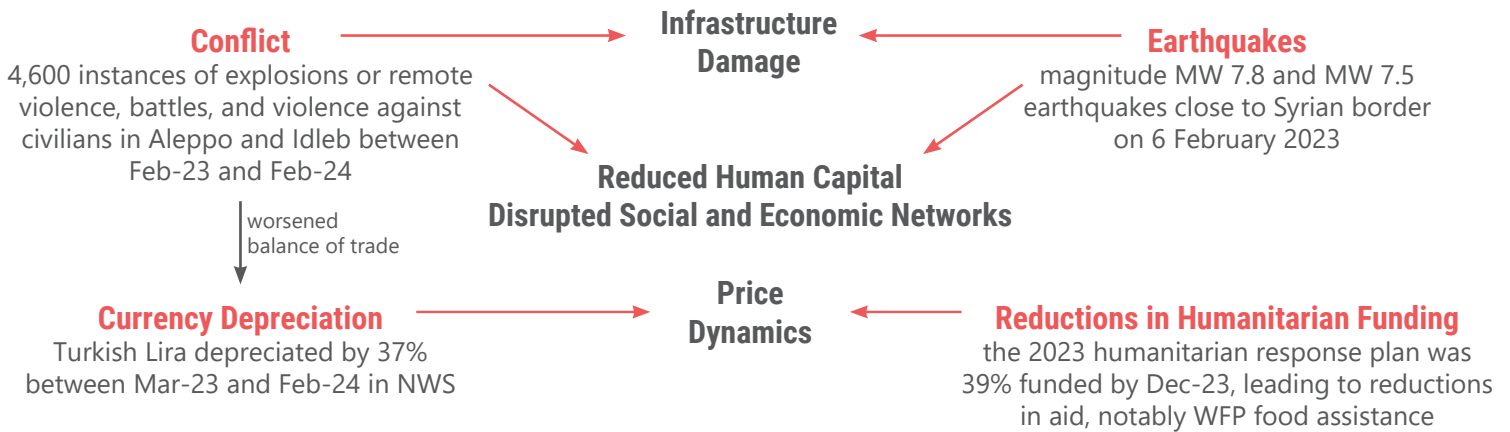
Most households in NWS had an employed household member, but this was often insufficient to provide for their needs.<sup>8,9</sup> Many households only had access to daily, casual, or temporary labour (unstable employment), with little employment security and no insurance in crisis situations.<sup>8,10-12</sup> Even while working, most households had very low incomes and were partially or completely unable to meet their basic needs.<sup>8</sup> This particularly affected households in Greater Idlib, who saw lower rates of stable employment, lower incomes, a lower ability to meet their needs, and relied on more severe coping strategies. Poverty in Northern Aleppo also remained widespread.<sup>8</sup>

Displacement levels in NWS have been persistently high, with the population split almost evenly between host communities, out-of-camp internally displaced people (IDPs), and in-camp IDPs.<sup>5</sup> Of those, in-camp IDPs showed the highest levels of economic vulnerability. This included low rates of employment with low incomes, dependence on humanitarian assistance, and an inability to meet their basic needs.<sup>8</sup>

Conflict dynamics were found to be highly gendered. While the vast majority of casualties have been men,<sup>13</sup> the families they left behind often faced economic exclusion.<sup>14,15</sup> Female-headed households had fewer working-aged men, fewer working adults, lower incomes, and a lower ability to meet their basic needs.<sup>8</sup> This suggests that female-headed households were systematically worse-off than male-headed households.

<sup>a</sup> Households are classified as being unemployed if no working-aged member gains income from work, or if they have no working-aged member.

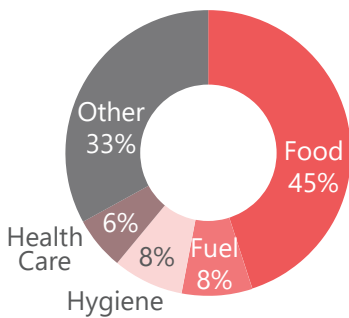
### 3. Key Drivers of the Economic Crisis



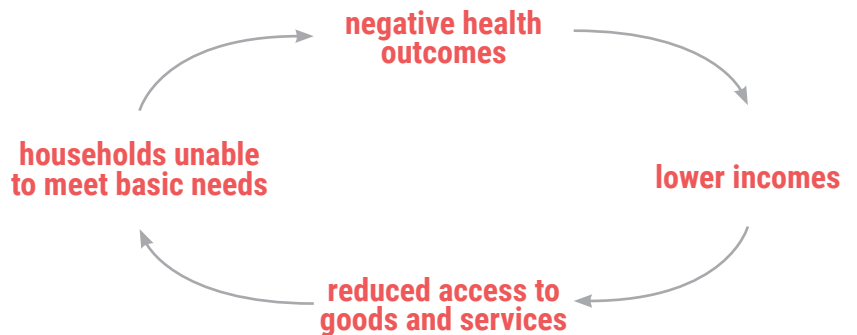
In 2023 and early 2024, key drivers of the economic crisis included the February 2023 earthquakes, conflict, currency depreciation, and humanitarian funding cuts. The **earthquakes** caused widespread damage to productive infrastructure, such as damaging roads and thereby slowing down transport and increasing costs.<sup>7,16</sup> They also caused displacement,<sup>17</sup> which tends to be associated with losses in employment and increased costs of shelter.<sup>18</sup> At the same time, evidence of labour market impacts was mixed.<sup>8,19-22</sup> **Conflict** had both immediate impacts on labour markets by limiting physical access to workplaces,<sup>23</sup> and long-term impacts through destruction of infrastructure and break-ups of economic and social networks.<sup>4</sup> **Currency depreciation** has led to rapid price inflation over the past years.<sup>24</sup> If households' incomes did not keep pace, they will have faced rapid declines in purchasing power. However, evidence on wage inflation is missing, and so the impact of currency depreciation on livelihoods cannot be determined. Lastly, **humanitarian funding cuts** have important but complex implications for local markets.<sup>25-27</sup> Without detailed information on how markets function and how both vendors and households respond, it is not clear how prices and availability of goods will develop.

### 4. Socio-Economic Barriers Impacting Access to Essential Goods and Services

Average Expenditures for Households Insufficiently Able to Meet Basic Needs<sup>b,8</sup>



Vicious Cycle of Poverty and Ill Health



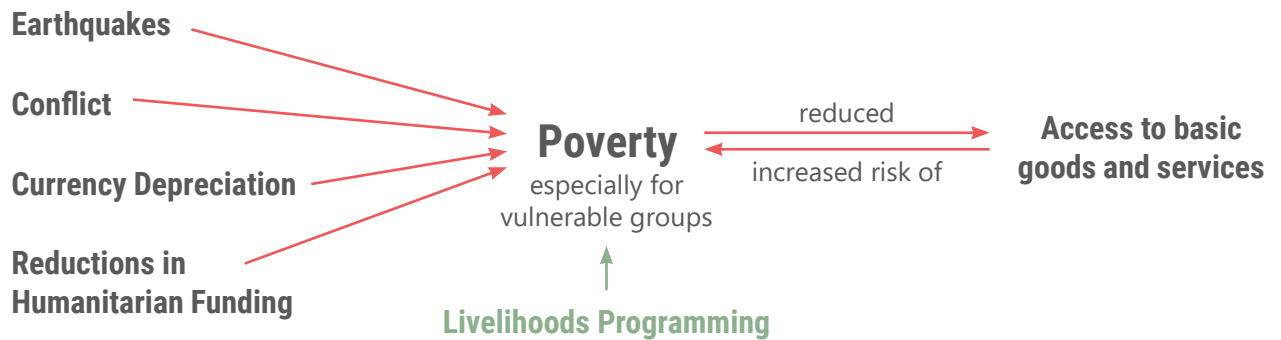
The relationship between livelihoods and access to essential goods and services are mutually reinforcing. First, with a lack of access to livelihoods, households struggled to afford to meet their essential needs.<sup>8,28,29</sup> Food was the largest expenditure for households; without sufficient incomes, households had to compromise on other basic needs in order to access food.<sup>8</sup> Even so, 1.6 million people were moderately or severely food insecure in 2023.<sup>30</sup> Access to water was limited by the high cost of water trucking, the primary water source for almost half of households.<sup>8,31,32</sup> Children were often unable to go to school because of the cost or because they needed to work to support their families.<sup>8</sup>

Second, lack of access to goods and services impacts people's health. Food insecurity increases the risk of malnutrition, reducing children's ability to learn and adults' ability to work.<sup>34,35</sup> Lack of access to water increases psychosocial distress and leads to compromised hygiene practices.<sup>31,32</sup> Threat of evictions is associated with worse mental and physical health outcomes.<sup>36</sup> Child labour, which may be used as a strategy to cope with insufficient incomes, is associated with ill-health throughout the child's life and lower lifetime earnings.<sup>33</sup>

Lastly, having an ill household member is associated with fewer household members working, reduced hours of paid labour, and lower incomes.<sup>37</sup> Additionally, high out-of-pocket healthcare expenditures are associated with increased rates of poverty and reliance on negative coping strategies.<sup>37-39</sup> Supporting this, in NWS, higher rates of health expenditures were significantly correlated with a lower ability to meet basic needs.<sup>8</sup>

<sup>b</sup> To capture both regular and infrequent expenditures, households reported on their expenses in the month and in the 6 months prior to data collection.

## 5. Conclusions



Poverty in NWS is indisputably a driver of humanitarian needs. As long as conflict and other issues are ongoing, there is little hope that the economy will recover on a large scale. However, even in fragile and conflict-affected countries, the literature shows clearly that livelihoods programmes can work and may be more effective in meeting recurring needs.<sup>40,41</sup> What exactly works varies with the aims of the programme and the context in which it is implemented. The following therefore does not provide recommendations on which programmes should be implemented. Rather, it aims to show that there is a scope for effective humanitarian action that can help to relieve suffering caused by economic destitution.

Cash and capital interventions for businesses and individuals have had consistent positive impacts in conflict contexts.<sup>40,41</sup> Cash and small business grants significantly increase levels of self-employment. While self-employment is often insufficient as the only source of income, it can help to reduce underemployment and stabilise incomes while increasing savings and assets.<sup>40</sup> There is, however, some evidence that the magnitude of impacts depends on the size of the grant.<sup>42</sup> Cost of business assessments<sup>43,44</sup> may help to identify appropriate transfer values. Provision of agricultural inputs in Syria has also been effective in securing employment, increasing food availability in markets, and improving households' food security.<sup>45,46</sup> By contrast, impacts of microcredit were more mixed as households participating in microcredit programmes in low-income and conflict contexts were often unable to repay their loans.<sup>40,41,47,48</sup>

Technical and vocational trainings have been shown to be effective in increasing employment and incomes if they are appropriately designed.<sup>48-50</sup> This includes greater benefits to programmes with a gender focus, such as those aiming to confront gendered social norms or remove barriers to women's labour market participation.<sup>49</sup> Some evidence indicates that women generally benefit more strongly from trainings than men.<sup>40</sup> Trainings that targeted youth specifically were also found to be effective,<sup>50</sup> although youths' perceptions of such programmes were more often negative than positive.<sup>51</sup> Importantly, programmes tend to only succeed if they take into account skills demands in the market,<sup>41,48</sup> and were often expensive relative to their impacts.<sup>40</sup>

Solutions to alleviate poverty can come from the expertise of local organisations, the affected population, and the emerging literature on the impacts of employment programmes. The benefits extend far beyond economic indicators. For example, reducing poverty may improve access to food and water, improving households' health. In case of illness, improving earnings may increase households' ability to access healthcare. Children may be able to return to school. Displaced persons may be less at risk of evictions once they are able to secure their rents. These benefits matter not only for today, but for generations to come.

### ABOUT REACH

REACH Initiative facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research - Operational Satellite Applications Programme (UNITAR-UNOSAT).

### ABOUT THE EARLY RECOVERY AND LIVELIHOODS CLUSTER (NWS)

The Early Recovery and Livelihoods (ERL) Cluster for North-West Syria (NWS) aims at increasing access to livelihoods and job opportunities for people, improving equitable access to basic services, and strengthening social cohesion within communities. The ERL cluster is a humanitarian cluster hosted by the United Nations Development Programme (UNDP) under the inter-cluster coordination system for cross-border operations, ensuring the coordination of response interventions of 90 partner organizations.

## Methodology Overview

This factsheet overview is based on available secondary data, humanitarian reporting, and academic literature.

Household-level data were taken from the 2023 Multi-Sectoral Needs Assessment (MSNA) in Northern Syria.<sup>8</sup> Data were collected between 3 September and 7 October 2023. In NWS, over 2,700 households were interviewed, including host populations, displaced persons outside of camps, and displaced persons in camps. For an overview of the findings from this data, please see [REACH's brief](#) or refer to the [2024 Humanitarian Needs Overview](#).

The household-level data are complemented by the Humanitarian Situation Overview in Syria (HSOS).<sup>9</sup> This is a monthly data collection which interviews key informants (KIs) in around 670 host communities in Greater Idlib and Northern Aleppo, conducted by REACH and partners. Please note that this assessment does not include displacement camps. Further, due to the reliance on KIs and the non-random sample of communities, HSOS data are indicative of the situation in host communities, but do not represent the situation of all households in all communities. The datasets and monthly factsheets can be found [here](#), and a dashboard showing changes over time is [here](#).

Data on prices of essential food and non-food items are taken from the Joint Market Monitoring Initiative (JMMI).<sup>10</sup> The JMMI is a monthly assessment of prices in key markets across Greater Idlib and Northern Aleppo, relying on

vendors to report prices of items they are selling. This is conducted by REACH in collaboration with the Cash Working Group. Please note that the sample of interviewed vendors is not random, so JMMI data is indicative of prices, but some discrepancies with actual prices may exist. The datasets and monthly factsheets can be found [here](#), and the dashboard showing geographic differences in prices and changes over time is [here](#).

There are various limitations to the findings presented in this report. First, the situation of households in Ras Al Ain and Tel Abiad areas is not discussed in this report. Second, little to no information on the households' perceptions of their economic situation and their views on different types of assistance is available. Third, limited representative data are available, outside of the MSNA. Other sources tend to rely on KIs or anecdotal evidence, which have a substantially higher risk of bias and inaccuracy. For instance, KIs may overstate needs if they believe this will help their communities access assistance, or they may not be aware of problems which are private and not often spoken about between households. Fourth, due to a lack of comparable data between 2022 and 2023, no absolute statements about changes in the humanitarian situation can be made. Fifth, there is a lack of information on economic systems, including the types of industry present, local production, levels of imports, and such. Finally, the impacts of the current global economic situation<sup>11</sup> on NWS are omitted.

## Endnotes

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