

THE WAGES OF WAR:

How donors and NGOs can build upon the adaptations Syrians have made in the midst of war

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The scale of death and suffering in Syria is monumental. What began as a series of peaceful protests in 2011 has since devolved into a humanitarian crisis unprecedented in modern times. As many as 400,000 Syrians have been killed by the current conflict, with an estimated 11 million displaced within Syria and beyond. As the conflict continues, humanitarian needs remain enormous. The UN estimates that over 13 million people in Syria—including 6 million children—require humanitarian assistance. Once a middle-income country, Syria's development has been set back nearly four decades.¹

Despite these immense challenges, Mercy Corps' work in Syria has found that some households manage the devastating impact of war better than others. Mercy Corps undertook one of the first studies of its kind to understand why. This policy brief builds on that study, entitled, "The Wages of War: How some Syrians adapted their livelihoods through seven years of conflict" and sets out to inform donors and NGOs how they can best support Syrians' own ability to cope and adapt.

Why is this research unique?

Existing research details how people rebuild their lives and livelihoods after war, but evidence is limited when it comes to coping and adaptation in the midst of conflict. Indeed, while humanitarian workers frequently witness the different ways in which Syrians try support themselves under conditions of conflict, much of this is anecdotal. Mercy Corps therefore developed this study to explore Syrian positive coping strategies through a rigorous, data-driven approach across three regions: north, south/central, and northeast.

The study is the largest of its kind undertaken inside Syria and merges quantitative and qualitative methods. Researchers surveyed 1,168 people from randomly selected households in 124 communities, as well as a further 350 key informants in 115 communities. They also explored the statistical relationship between coping strategies, livelihood adaptation, and human welfare. Additional semi-structured interviews were undertaken to understand the process of livelihood adaptation among those who had started a new income generation activity since the start of the conflict.

Enabling factors

As expected, the study underscores the severity of needs and suffering across Syria. Importantly however, it also uncovered how some Syrians have positively adapted their livelihoods to changing conditions. More than one third (34%) of respondents report that they have started a new income generating activity since the start of the conflict. This suggests that adaptation is not an aberration, but rather a regularly-occurring process that merits better understanding.

¹ Statistics via the United Nations Office for the Coordination of Humanitarian Affairs, available at: <https://www.humanitarianresponse.info/en/operations/syria>



The research examined the relationship between several enabling factors and their effect on livelihood adaptation and overall household welfare. These factors included market functioning, access to cash and capital, social capital and networks, and livelihood dynamics. It was found that no single enabling factor leads to improvements across all dimensions of welfare but that multiple enabling factors are necessary.

The enabling factors explored in the research are defined as follows:

- **Market functioning**, including the distance to marketplaces and the cost of reaching them; gender barriers to access; food price stability; and market robustness (the change in the number of businesses over time);
- **Access to cash and capital**, including access to remittances; the ability to store/save and borrow money, including the availability of savings and loan options; and the role of humanitarian cash and livelihood support;
- **Social capital and networks**, including social and economic interactions; help-seeking amongst neighbors, families, and outside communities; access to information; and
- **Livelihood dynamics**, including the number of income earners in a household, aggregated by gender and age, and their adaptation to income generation activities since the start of the conflict.

Market functioning

Households that started a new income generation activity were more likely to live closer to marketplaces and spent less on fuel and transportation to access them. However, the presence of and access to markets only partially explains adaptive capacity; goods prices and market robustness are also critical. For example, in locations where bread prices were more stable, Syrians showed significantly higher levels of psychosocial well-being, and household hunger was 30% lower. Similarly, where there was a net increase in the number of businesses compared to the pre-conflict period, households were more likely to demonstrate higher daily and weekly expenditures, pointing to higher household income. The opposite was largely true where such conditions were absent. This highlights the importance of market function, particularly given the widespread volatility of goods prices across Syria, which often reach ten times their pre-conflict level.

Access to cash and capital

The use of financial institutions – including cooperatives, community saving groups, banks, Islamic banks, microfinance institutions, and moneylenders – has decreased since 2011. The most significant decreases were seen in the formal banking sector for both saving and borrowing, as well as in savings cooperatives. Syrians who were able to borrow money scored 35% better on the Household Hunger Scale (HHS) and 20% better on the negative coping measure than those who did not borrow. Nearly two-thirds (65%) of the sample reported they had borrowed money in the past six months, most frequently from family, friends, or someone in the neighborhood (63%), an employer (11%), or a local money lender (10%). However, nearly one third (29%) who attempted to borrow money were unable to.

At the same time that the use of financial institutions decreased, remittances to Syria increased. Across the sample, 17% of respondents reported receiving remittances in the past six months, compared with 6% in the pre-conflict period. Households that received remittances in the past six months had significantly better food security than households that did not receive remittances. Further, households that had adapted their livelihoods were much more likely to have received remittances in the past six months than non-adapters. In general, remittances helped to start or reopen small businesses and were viewed as a semi-reliable lifeline that could supplement other smaller livelihood sources.

Social capital and networks

Mercy Corps defines social capital as the networks and resources available to people through their relationships with others. The study found that households that interact with people outside of their communities at least once a week have significantly better food security in terms of household hunger

(10%). They also saved and borrowed more in the past six months, had higher levels of spending on food (6%) and daily needs (8%), and higher total monthly expenses (7%).

Some respondents noted that communities have become closer during the conflict. This has manifested in numerous forms amongst family, friends, neighbors and newly arrived IDPs, including: money lending, sharing of food and supplies; offering shelter and employment; and regular systems for checking in on each other. However, it is important to note that not all respondents reported increased social cohesion. Some felt that while they were more likely to look after others earlier in the conflict, prolonged economic hardship had meant they felt less able to look after others and were forced to focus on their own needs.

Technology has played a key role in maintaining social networks and improving human welfare. Households with more access to news and technology reported lower household hunger and fewer negative coping strategies. On average, these households saved significantly more and spent more on food, daily essentials, and total monthly expenses. Those who successfully adapted their livelihoods reported they had actively harnessed social networks in-person or through social media to find and exchange information about potential economic opportunities. Notably, livelihood adapters were 20% more likely to use mobile phones than the rest of the population.

Livelihood dynamics

Unsurprisingly, households with more income earners had significantly better housing conditions and higher expenditures on daily needs, food, and monthly expenses. However, there are clear differences when aggregated by age and gender. The study reports the percentage of young people currently earning an income (26%) has more than doubled compared with pre-conflict figures, while households with at least one young earner had significantly better food security than those with no young earners.

As is common to other crises, female-headed households experienced higher levels of household hunger and negative coping, with the study finding that female income earners were not generally associated with systematic improvements in welfare. Households located in communities that better enabled female and youth participation in civil society and politics were the exception in this regard. Although causality was not directly established, this suggests there may be potential added benefits for female income earners in more inclusive communities.

Recommendations

This research affirms the assumption that enabling factors including market functioning, livelihood dynamics, access to cash and capital, and social capital and networks create an environment that is more conducive to livelihood adaptation. This in turn supports higher levels of overall welfare for those affected by ongoing conflict in Syria. The question, therefore, is: how can donors and NGOs harness these enabling factors to support more Syrians to positively adapt livelihood opportunities and sources of income?

1. Support the delivery of unconditional and unrestricted cash assistance.

The research shows that access to cash and capital is important to improved welfare and increased opportunities to pursue new (or old) livelihoods. Cash-based interventions were the stated preference of respondents across all regions studied. Notably, only 6% of respondents said they had received cash support. To address this:

- **Donors** should increase funding for unconditional and unrestricted cash assistance as a key component of their ongoing humanitarian response and should work to ease compliance requirements to increase the feasibility of cash in Syria.
- **NGOs** should ensure cash transfer programs are intentionally designed to stabilize Syrian households, enabling them to self-prioritize their needs and provide much needed capital for livelihood investment.

2. Strengthen local markets and the capacity of small-scale producers to support food self-sufficiency.

To support stronger markets, cash and capital should be increased at the household level and should be extended to businesses. This can strengthen the supply of key inputs in the marketplace, increase the availability of locally produced foods, and potentially reduce prices to benefit the wider community. This is particularly important for those living in besieged areas, where access restrictions significantly harm market functionality, drastically undermining local capacity to absorb food-related shocks. To address this:

- **Donors** should increase funding for programs that pair cash assistance at the household level with cash and voucher support to both local market actors and agriculture and livestock producers. At the same time, donors should continue to pressure parties to the conflict to sustain unhindered trade routes and end the use of siege tactics.
- **NGOs** should design programs that complement cash assistance at the household level with cash and voucher assistance to small businesses, with a clear understanding of the local market dynamics at play.

3. Support improvements in market functionality and the development of diverse businesses.

Markets with more diverse businesses are more robust and, therefore, are linked to better household welfare. In addition to cash assistance, the humanitarian community should provide business development support to strengthen the ability of businesses to meet supply and demand in the market, support the development of new and diverse businesses, and help small and medium private enterprises to restart and expand. This can increase overall market functionality and the capacity of markets to create and absorb a skilled workforce. To address this:

- **Donors** should increase funding for small business development.
- **NGOs** should design programs that provide business development support for existing and new market actors.

4. Ensure that the provision of humanitarian aid strengthens social networks.

Respondents frequently reported that dividing communities into those ‘eligible’ and ‘ineligible’ for aid based on socio-economic vulnerability can be deeply divisive – separating people from friends and neighbors who they depend upon in times of crisis, but who may not themselves be ‘eligible’ for aid. Humanitarian actors should be far more cognizant of the differing needs within a community. For instance, though the elderly may need food or cash support, it may be that their able-bodied friends and neighbors are better placed to utilize humanitarian assets such as livestock to generate income. Designing programs with this in mind can help improve a community’s economic self-reliance, amplify the benefits of aid, and maintain crucial reciprocity and sharing within communities. To address this:

- **Donors** should measure programs in terms of the overall impact on the most vulnerable households as opposed to activity or output-based indicators vis-à-vis eligibility or selection criteria to allow NGOs to enroll a larger number of households based on their pre-existing skills and capacities with an eye towards achieving the same overall goal.
- **NGOs** should design programs to match the right type of aid to a larger segment of the community based on their pre-existing skills and capacities, not only vulnerability.

5. Design targeted livelihood programs for women and youth, but don't ignore men.

The research shows that households with more income earners have significantly better welfare. Both Syrian women and youth should benefit from targeted programs that provide meaningful economic opportunities, though men should also not be forgotten. Men are differently and differentially impacted by the current conflict and should be engaged in value added economic opportunities and market-facing roles that women may be constrained from taking on in the short term. This could open up pathways to engage men, women, and youth in meaningful dialogue towards shared financial and domestic responsibilities, as well as positive impacts over the longer-term. To address this:

- **Donors** should increase funding for livelihood programs that account for the specific and differing needs of women, youth, and men.
- **NGOs** should design livelihood programs that target the different needs of women, youth, and men.

6. Engage women and youth in community rebuilding, and male leaders to create more buy-in.

The research notes that female income earners have significantly higher household food security when they reside in communities that are more inclusive towards female and youth participation in civil society and politics. Creating more communities of this kind in Syria will take time, but is a worthwhile endeavor to support meaningful change within communities. Alongside economic opportunities, humanitarian actors should engage women and youth in increased public roles, community dialogue, and community rebuilding initiatives. Given cultural norms that predate the conflict, male community leaders should be engaged to address concerns and to create more buy-in. In the interim, innovative approaches such as 'women only' market days that connect women producers to women consumers can be both culturally acceptable and safely achieve income generation goals. To address this:

- **Donors** should increase funding for longer-term programs that help to build space for women and youth to participate in community decision-making and to hold public roles in their communities.
- **NGOs** should design programs that support women and youth to better engage in public roles while recognizing and seeking out the acceptance of male community leaders.

7. Support technology-based skills development.

A number of those who showed improved household welfare and ability to adapt their livelihoods made use of technology and social media. To leverage this, technology-based skills training could supplement face-to-face interaction and would be particularly useful in besieged and hard-to-reach areas where humanitarian access is sporadic. To address this:

- **Donors** should invest in innovative, technology-based livelihood programs.
- **NGOs** should design livelihood programs that rely on technology (i.e. remote training) – particularly in besieged and hard-to-reach areas.

8. Do not strictly sequence human needs into time-bound emergency, early recovery, and development.

In a protracted, complex conflict like Syria, limiting interventions according to funding labeled 'emergency', 'recovery', and 'development' pose real challenges to livelihood programming. Donors should focus on blending and coordinating investments to support livelihood recovery. For example, a combination of 'emergency' funds for cash to meet basic household needs, 'early recovery' funding that supports market actors and small-scale producers, and 'development' aid that helps strengthen market systems could help

jump-start a process of local-level recovery. Such an approach would also help NGOs build on incremental gains made from the provision of humanitarian aid and gain contextual knowledge and trust within the community. To address this:

- **Donors** should improve internal coordination between agencies responsible for humanitarian and development programming to ensure that funding and programming support an approach that allows for either the simultaneous implementation of emergency, recovery, and development interventions when appropriate, or the filling of gaps when programs transition from emergency to longer-term responses.
- **NGOs** should ensure that the robust coordination that currently exists through the cluster system is continued as programming shifts from emergency to early recovery and development.

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About Mercy Corps

Mercy Corps is a leading global organisation powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action — helping people triumph over adversity and build stronger communities from within. Now, and for the future.



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