



المركز السوري SyrianCenter For
لبحوث Policy
السياسات Research

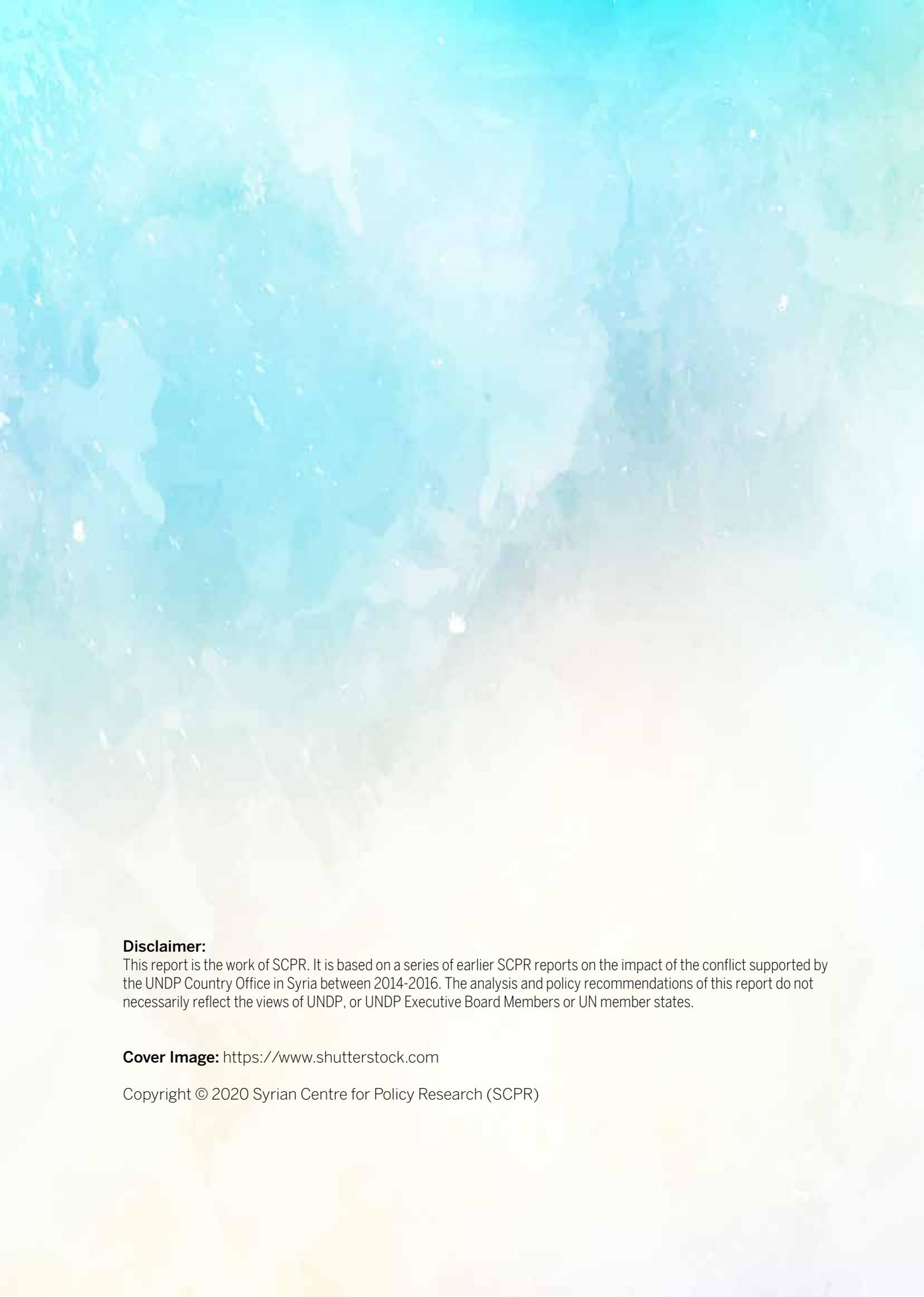
Syria

Justice to Transcend Conflict

Impact of Syrian Conflict Report

2016-2019

May 2020



Disclaimer:

This report is the work of SCPR. It is based on a series of earlier SCPR reports on the impact of the conflict supported by the UNDP Country Office in Syria between 2014-2016. The analysis and policy recommendations of this report do not necessarily reflect the views of UNDP, or UNDP Executive Board Members or UN member states.

Cover Image: <https://www.shutterstock.com>

Copyright © 2020 Syrian Centre for Policy Research (SCPR)

CONTENTS

	Acronyms And Abbreviations	04	Poverty	93	
	Acknowledgments	06	Food Insecurity	97	
	Executive Summary	07	Degradation of Social Relations	98	
	Justice	07	Gender Injustice	101	
	Economic Injustice	08	Violence against Children	104	
	Social Injustice	09	Environment Degradation	107	
	Institutional Injustice	11			
	Justice to Transcend Conflict	13			
01	Introduction		04	Institutional Impact of the Conflict	109
	The Concept of Justice	14		Political Power Struggle	110
	Injustice as a Root Cause of Conflict	16		Judicial Justice	113
	Life Cycle of Conflict and Injustice	19		Civil Society: Resistance of Suppression	116
	Human Status Approach and Measurement	21		Private Sector: War Cronyism versus Resilience	117
	Key Results	23		International Organizations: Duality of Roles	119
		26		Global Injustice and the UN Security Council	121
				Sanctions	105
02	Economic Impact of the Conflict	32	05	Justice to Transcend Conflict	124
	Economic sectors performance	35		Social congruences in participatory approach: the political economy of peace-oriented institutions	128
	Pro-Conflict Demand	47		Dismantling the Conflict Economy	130
	External Dependency and Trade Deficit	52		The NODeS Strategy	134
	Capital Stock Losses	56		Justice to Children	136
	530 Billion and Counting	58			
	Fiscal Subsidies	59		Conclusion	139
	Collapse of Exchange Rates	63		Footnotes	140
	Cost of Living	65		References	142
	Job Scarcity	66			
03	Social Impact of the Conflict	68			
	Population Decline	70			
	Forced Displacement	73			
	Refugees: Injustice Abroad	74			
	The UN Human Development Index	78			
	Education	81			
	Health Status	87			





JUSTICE



Acronyms and Abbreviations

AA	Autonomous Administration
ABD	Acute Bloody Diarrhea
AG	Armed groups
CBS	Central Bureau of Statistics in Syria
CPI	Consumer Price Index
cVDPV2	Circulating Mutated Poliovirus Type-2
DPT3	Diphtheria-Tetanus-Pertussis
EU	European Union
EWARS	Early Warning Alert and Response System
FSI	Food Security Index
GDP	Gross Domestic Product
GBV	Gender-Based Violence
GNI	Gross National Income
GoS	Government of Syria
HCW	Health Care Worker
HDI	Human Development Index
HDR	Human Development Report
HiB3	Haemophilus Influenza type B
HIES	Household Income and Expenditure Survey
HRP	Humanitarian Response Plan
HSF	Human Status Framework
HuDI	The Human Status Index
IDP	Internally Displaced Persons
IFIs	International Fiscal Institutions
IFS	Integrated Food Security Strategy
ILI	Influenza-like Illness
INGO	International Non-Governmental Organizations
ISIS	Islamic State in Iraq and Sham

MDG	Millennium Development Goals
MENA	Middle East and North Africa
MoE	Ministry of Education
MoH	Ministry of Health
NODeS	Nodes Overlapping Development Strategy
NGO	Non-Governmental Organization
OOS	Out of School
OPV	Oral Polio Vaccine
SCI	The Social Capital Index
SCPR	Syrian Centre for Policy Research
SDF	Syrian Democratic Forces
SME	Small and Medium Enterprises
SOEs	State Owned Enterprises
SYP	Syrian Pound
UHC	Universal Healthcare
UN	United Nations
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNITAR	United Nations Institute for Training and Research
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
UNRWA	United Nations Relief and Works Agency for Palestine Refugees
UNSC	United Nations Security Council
USD	United States Dollar
WITS	World Integrated Trade Solution
WHO	World Health Organization
WPV1	Wild Poliovirus Type 1

ACKNOWLEDGMENTS

SCPR would like to express their gratitude for the significant support of the experts and researchers who contribute to this report.

The Authors of Justice to Transcend Conflict report are Rabie Nasser, Ramia Ismail, Omar Dahi, and Nabil Marzouk; with substantial and vital contributions from Ali Rustom, Zaki Mehchy, Jad Jebai, Hassan Katana, Fouad Lahham, Khuloud Saba, Amr Dukmak, Bassel Kaghadou, Rima Dali, Natalie Garland, Samer Abboud, Diana Bashour, Philippe Chite and Maxwell Gardiner. Also, we would like to thank Basileus Zeno, Zümray Kutlu, Rochelle Davis, Doruk Gengiz, and Hasan Tekguc, for their feedbacks on refugees section. Exceptional reviews and thoughts provided by Samuel Risk, Samir Aita, and Samer Jabbour. The SCPR management team is made up of Rabe Bana and Alissar Kaghadou.

English Editors: Jonathan Latham and Kit Catterson;

Translation: Hazem Ibrahim;

Arabic Editor: Jad Jebaie; and

Report Design: RASIL UAE.

EXECUTIVE SUMMARY

This report is part of a series of reports that provide multidimensional analyses of impacts of the armed conflict in Syria during the period 2011-2019, examining the socioeconomic situation and institutional performance of the country during this time¹. This report, Justice to Transcend Conflict, diagnoses the conflict based on an innovative Human Status Framework that assesses the interlinkages between institutional, social, and economic factors on macro, meso, and local levels. The report also frames the conflict through a social justice lens, and provides alternatives based on expert-developed participatory approaches.

Key results and messages of this report are as follows:

JUSTICE

For the purpose of this report, 'justice' is defined as equitable rights and entitlements of citizens that assures fair political, social, and economic capabilities, opportunities and outcomes as perceived by the society. It implies distributional and procedural equities that avoid and/or recover socially produced differences between and within populations groups.

This report adopts a practical approach to countering injustice through dynamic corrections of what are perceived as unfair constraints or outcomes by society. It emphasizes the organic interrelations between justice, freedom, and solidarity as core values that work together to maintain peace and welfare.

The aggravation of injustice is a root cause of the Syrian conflict, as are political exclusion and violations of civil rights; a lack of accountability and the use of force have eroded citizens' voice and representation. The continuation of 'institutional suffocation' which SCPR defines as the divergence between the society and ruling institutions without available means to mitigate the gap, compounded into injustice for Syrians. The neoliberal policies and economic 'reforms'

created jobless and anti-poor economic growth in the first decade of the new millennium, which aggravated vertical and horizontal inequalities. This was associated with shrinking the public space and a lack of social policies that promote social relations and trust.

Throughout the conflict, human rights abuses, de-development and deterioration in factors in positive human status have created a cycle of injustice and conflict. The transformation of the social movement to address the injustice devolved into a severe armed conflict shifted the grievances to catastrophic levels.

The conflict has created three types of injustices: the retroactive injustice which refers to the destruction and deterioration of the tangible and intangible wealth of the country that have accumulated through centuries; the current injustice, which represents the production of injustice now, as the conflict shifted the integrated and productive economic and social activities towards the destructive one; and future injustice, as the subjugating powers institutionalizing conflict-centered institutions, relations, and economy. These powers continue building the foundations of injustice in the future adding to be added to the grievances that were created during the conflict.

The report used a composite index to assess the impact of the conflict "Human Status Index" (HuDI) that consists of five main dimensions that measure demographic, economic, human development, social and institutional

●● Justice' is defined as equitable rights and entitlements of citizens that assure fair political, social, and economic capabilities, opportunities and outcomes as perceived by the society. ●●

•• There are organic interrelations between justice, freedom, and solidarity as core values that work together to maintain peace and welfare. ••

performance. Syria's HuDI deteriorated by 42 per cent between 2010 and 2019, across all sub-indices and leading by the collapse of the institutional performance which dropped by 67 per cent. The extent of deterioration in the HuDI varies across time, regions and communities, and has been driven by violence, insecurity, the policies of dominating actors, conflict economy, social degradation and external interventions among other factors.

ECONOMIC INJUSTICE

The conflict had led to the emergence of different, fragmented economies within the fractured state. The varied system of incentives across these new economies demonstrated that one of the few common interests among the rival powers was the abuse of economic resources for the benefit of new conflict elite, and at the expense of productive economic activities.

The economic foundations were transformed into a self-sustaining cycle of violence in which much of the capital stock was destroyed or reallocated to conflict-related activities. Many workers lost their jobs and a substantial part of the remaining job opportunities served the conflict. Economic institutions changed their policies and rules to support the new conflict actors or be allowed to continue to operate.

In 2016, the economy contracted severely by 14.1 per cent, as the conflict intensified on many fronts and as economic policies continued to increase the prices of oil derivatives. In 2017, the relative improvements in security conditions of some regions, especially with the de-escalation zones agreement, led to growth of GDP by almost 3.3 per cent, however, it contracted again in 2018 by 1.9 per cent. 2019 witnessed a positive growth rate by 7.9 per cent due to the reduction in the frequency and scale of battles and substantial growth in the agriculture sector.

Total accumulated economic loss during the

conflict by the end of 2019 is projected to reach 530.1 billion USD, compared to the counterfactual scenario, which is equivalent to 9.7 times of GDP of 2010 at constant prices. The total loss consists of GDP loss equal to 420.9 billion USD, the increase in military expenditure is equal to 37.8 billion USD, the capital stock damaged or lost which is equal 64.6 billion USD, and the informal production of the oil and gas is projected to reach 9.9 billion USD by the end of 2019.

During the period 2011-2019, public expenditure dropped substantially from 28.9 per cent of GDP in 2011 to 17.6 per cent in 2015 and 13.3 per cent in 2019. Current expenditure fell from 21.6 per cent of GDP in 2011 to 15.3 and 10.5 per cent in 2015 and 2019 respectively.

Public subsidies have witnessed a consistent decrease as a percentage of the current GDP from 20.2 per cent in 2011 to 13.1 per cent in 2014. Due to the price liberalization, the subsidies dropped sharply to 5.1 per cent in 2015 and 4.9 per cent in 2019. As a result, the public budget deficit with off-budget subsidies dropped from 23.6 per cent in 2013 to 8.8 per cent in 2019.

Revenue as a share of GDP dropped substantially from 25.4 per cent of GDP in 2011 to 10.3 per cent in 2015 and to 7.4 per cent in 2019. The substantial drop in the revenue during the conflict was associated with major changes of the structure of revenue. The non-oil indirect taxes share of total revenue increased from 14 per cent in 2011 to 38 per cent in 2019, while the non-oil direct taxes share decreased from 16 per cent in 2011 to 13 per cent in 2019.

Fiscal policies funded the enormous deficit through foreign and domestic public debt which creates a substantial burden for future generations. The total public debt increased from 30 per cent of GDP in 2010 to 208 per cent in 2019. This is especially egregious given that it has been used mainly to fund armed conflict and conflict economy.

•• Total accumulated economic loss during the conflict by the end of 2019 is projected to reach 530.1 billion USD, which is equivalent to 9.7 times of GDP of 2010 at constant prices. ••

The currency witnessed another wave of depreciation by 43 per cent in September 2019 compared to July 2018. This is a substantial depreciation, despite the fact that the period 2018-2019 saw an expansion in government-controlled areas and relative stability in many regions in addition to exceptionally good agriculture season and slow recovery in the manufacturing sector. The period October 2019 - January 2020 witnessed an acceleration of depreciation to reach 96 per cent on 16 January 2020 compared to 17 October 2019. The report highlights key factors for this deterioration including the dominance of conflict-centered institutions and the dynamics of conflict economies. The conflict has damaged the foundations of the economy and caused weak performance of public institutions and a reduction of external support, compounded recently by United States' sanctions and the economic crisis in Lebanon.

By the end of 2018, the Consumer Price Index (CPI) was increasing by 0.4 per cent compared to 2017. However, in 2019 the inflation rate surged to 33 per cent; the increased occurred mainly in the third and fourth quarters. The CPI during the nine years increased 18-fold between February 2011 and December 2019, which severely deteriorated the real income of households and increase poverty.

Total employment decreased sharply during the conflict from 5.184 million in 2011 to 2.568 million in 2016 and increased gradually to 3.058 million in 2019. The unemployment rate increased from 14.9 per cent in 2011 to 51.8 per cent in 2016 and decreased gradually to 42.3 per cent. Utilizing counterfactual scenarios, the labor market lost 3.7 million jobs. The huge loss of job opportunities surged the economic dependency ratio from 4.13 persons per employee in the year 2010 to 6.4 persons in the year 2019.

SOCIAL INJUSTICE

The population inside Syria declined by 2.3, 2.9, and 1.9 per cent in 2015, 2016 and 2017 respectively. Then it increased by 0.9 and 1.1 per cent in 2018 and 2019 respectively to reach 19.584 million in 2019. The conflict has changed the demographics of the population as the result of various factors including the increased number of male deaths compared with female; age-specific death rates and changes in fertility and the impacts of displacement and migration.

Nine years of the conflict caused more than 5.6 million people to flee to seek safety in Lebanon, Turkey, Jordan, and other hosting countries. By August 2019, the number of internally displaced people had reached 6.14 million (UNHCR, 2019)² which is the world's largest number of internally displaced people (IDPs) due to conflict. In addition, 202,000 escaped the country in October 2019 due to the 'Naba Al-Salam' (Peace Spring) military operation in the north-eastern region of Syria. In early 2020, intense military operations in Idleb and west Aleppo displace hundreds of thousands towards northern Idleb and Aleppo.

Refugees experience multiple forms of injustice which can be categorized into three dimensions: entry and movement; human development; status, voice, and representation. Though these three are interconnected and overlapping, examining each allows for understanding the numerous and increasing deprivations which refugees suffer.

The Human Development Index (HDI) dropped from 0.631 in 2010 to 0.431 in 2016 with a minor increase in 2017-2019 to reach 0.445 in 2019 due to the increase in life expectancy and an increase of income. In 2019, Syria was one of the worst ten countries in the world in terms of HDI performance.

“ In 2019, Syria was one of the worst ten countries in the world in terms of HDI performance.”

The HDI results indicate the extent to which Syria has deviated from its development path and has highlighted the collapse of crucial social structures necessary for empowerment. As a result, people have been denied access to food, health, and education services. These indicators show the expanding inequality in Syria relative to the rest of the world.

The Syrian population continues to lose millions of years of schooling as the children (5-17) who are out of school in 2019 number 2.4 million. The current outcome is still disastrous as those millions of children will suffer from a lack of skills and knowledge in addition to the impact of the conflict. The conflict created a lack of curriculum consistency across Syria, with different education systems established in different regions depending on the ruling power. The 2018 Humanitarian Needs Overview highlighted six different curricula being used in schools in Syria.

The direct loss of basic education years is estimated at 1.47 million years in 2019. The overall loss in basic education until 2019 reached 25.5 million schooling years compared to the counterfactual scenario. Meanwhile, the overall loss in the years of schooling for all educational levels has reached about 46.0 million years between 2011 and 2019, and the estimated cost of this loss is estimated at USD 34.6 billion.

The fragmentation across the country and the rapid emergence of different fighting parties resulted in the creation of weak governed institutions highly dependent on violence. These crippled institutions negatively affected the overall health system; including hampering access to services and medications; perpetuating pervasive discrimination; weakening healthcare capacity; causing the destruction of health infrastructure, including the targeting of hospitals and Health Care Workers (HCWs); and triggering the collapse of the pharmaceutical industry.

This report identifies collective punishment as

a core tactic created during the conflict which inflicted stricter punishments on certain groups, communities, and regions. The report reveals that areas outside of governmental control have suffered the greatest burden of health status destruction.

The increase in mortality among different population groups is one of the most catastrophic impacts of the conflict. Our data reveal a rise in the crude death rate from 4.4 per thousand in 2010 to 10.9 per thousand in 2014. The projections for 2016-2019 reflect a consistent decline, with crude death rates reduced to 9.9 per thousand in 2017 and 7.0 per thousand in 2019. The morbidity in terms of communicable and non-communicable diseases, such as poliovirus, measles, influenza-like illness, acute diarrhea, typhoid, leishmaniasis, disability, and trauma have all surged.

The overall poverty rate reached its peak at 89.4 per cent by the end of 2016, dropped in 2019 to 86 per cent due to positive economic growth, yet the last quarter of 2019 witnessed a surge in the prices that increased the poverty rates. The average overall poverty line for a household equals on average SYP 280 thousand per month at the end of 2019.

Abject poverty as a proxy for food deprivation was less than 1 per cent in Syria 2010; during the conflict, Syria witnessed widespread abject poverty reaching 44.9 per cent in 2016. The increase in food prices in different regions

“ The overall loss in basic education until 2019 reached 25.5 million schooling years compared to the counterfactual scenario.”

•• The overall loss in basic education until 2019 reached 25.5 million schooling years compared to the counterfactual scenario. ••

deteriorated the ability of people to consume enough calories. This reality is also associated with the dependency of the Syrian people, who must seek support from everywhere to meet their basic needs.

The Food Security Index declined sharply by about 34 per cent between 2010 and 2014, while in 2018 the index decreased by about 8 per cent compared to 2014. The Access to Food Index improved slightly by about 3 per cent due to the decrease in siege areas and the military operations, but the availability, stability and utilization indexes decreased by 20 per cent, 14 per cent and 1 per cent respectively.

The Social Capital Index dropped by 43 percent during 2010-2019; with subjugating powers continuing their use of violence and fear to subordinate people. Identity politics were one of the main policies used to fuel the conflict by abusing the diversity of religions, ethnicities, economic and social backgrounds, bonding relations, regions to create fragmentation and polarization that are needed to “eliminate and dehumanize the other”. This deterioration of social capital reflected a substantial aggravation of social injustice as it deteriorated the wealth of social relations and common values and harmed social solidarity and people’s capabilities and agency.

Women are among the main victims of the conflict in Syria. They faced severe violations including killing, detention, kidnapping, sexual violence, labor in harsh conditions and increased economic responsibility – especially in the case of displaced families or widows. Women have also been affected by more frequent incidents of underage marriage, customary marriage, trafficking, and other forms of exploitation. They also suffered from political, social, and economic exclusion.

Children witnessed three types of violations during the conflict. The first is ‘serious violations’

represents the conflict environment that ruined children’s lives, such as the conflict economy, including child labor; food insecurity reaching starvation levels; forced displacement including family separations or missing family members; poverty; poor living conditions; lack of access to health and education services; and social degradation. Second is ‘grave violations’ which represent the exposure of the children to kidnapping, detention, forced recruitment, and besieging. The third is ‘extreme grave violations,’ representing the exposure of the children of Syria to direct loss of their right to life as many of them killed or injured by during the conflict.

Environmental degradation was one of an aspect of injustice during the conflict as the quantity and quality of weapons used in the conflict poses a serious environmental threat to arable land, as toxic substances have caused soil contamination, which adversely affects the quality of agricultural land and its cultivability or productivity. The conflict has led to the waste of many natural resources such as forests and water resources as a result of destruction, vandalism or misuse, such as logging for heating or drilling of artesian wells in unsustainable ways. Waste and pollution factors affect the long-term potential of environmental sustainability and create Intergenerational future Injustice.

INSTITUTIONAL INJUSTICE

The Human Status Index showed the enormous collapse in institutional performance and the deadly struggle between fighting political actors. Throughout the conflict, decision-making processes have been fragmented and internationalized, as multiple internal and external actors engaged in setting contradicting priorities and mechanisms for each of the involved actors. The different forms of institutions were conflict-centered and adopted extreme strategies to detrimentally affect human beings, social relations, and resources, as well as to subordinate communities.

Although the intensity of battles has declined during 2017-2019, the rule of law, participation, accountability aspects of governance continued to deteriorate.

There are major contradictions between the five internal actors including civil society. The priorities of justice, freedom, transparency, participatory and democracy are at the bottom of the priority list for those in power, which reflects the nature of the conflict centered actors. Only civil society ranked justice, freedom, and democracy as top priorities. The priorities of external actors showed major contradictions as well. For example, for the United Nations, peace, freedom, justice, transparency and participatory are among the top priorities, while for Russia, legitimacy, country unity, sustainability and development are the top priorities.

The abuse of the judicial institutions was one of the government's authoritarian characteristics before the conflict, with the absence of an independent legal system, and the aggravation of security services that had the upper hand in directing the legal system and other justice institutions. This led to the absence of any institutions that can resolve conflicts in a just manner, which has compounded enormous grievances.

The judicial authority in Syria witnessed a severe deterioration during the war, as the Government of Syria was a main party to the conflict and the legitimacy of the state institutions has sharply deteriorated. The Government of Syria used security services to exclude punish and subordinate any opposition voices. During the conflict the official legal system has experienced many distortions in terms of fragmentation of authority as the country divided to many areas with many different de facto actors, the hegemony of military forces created its "war law" regardless of the de jure Syrian legislation, and created of many informal channels to deal with people grievances, losses of human capital,

lack of security and accessibility. The war-torn, discriminatory and fragmented judicial system(s) are missing the political will, legal reference, human and procedural capacities to handle the grave violations that have been used as a tool of war.

The conflict has contributed to the reconfiguration of Syrian civil society in complex and overlapping forms and functions. In 2011, the movement created new spaces and aspirations towards political, social and economic participation. The pathway to fulfill these aspirations was confronting despotism and freedom from fear that has afflicted public life in the country for decades. However, the adoption of the military and security confrontation of the movement, the blockage of horizon in opening spaces for reaching social congruences, and the increase in violations and losses have hindered the promising growth of civil society institutions and initiatives. In a second stage, with the serious deterioration of the armed conflict, the military and security forces succeeded in using repression, identity politics, and the conflict economies to disrupt social capital, which led to serious divisions in the structures of Syrian society.

•• The priorities of justice, freedom, transparency, participatory and democracy are at the bottom of the priority list for those in power; only civil society ranked justice, freedom, and democracy as top priorities. ••

●● The global governance system failed to protect civilians in Syria and to activate humanitarian international law and/or effectively enhance the prospect of a just and sustainable settlement. ●●

The organic relations between political actors and new private elite have been deepened and transformed wealth (that which has not been destroyed) to their own benefits in an unprecedented forced redistribution of tangible and intangible capital. Therefore, enormous injustices were created between the political actors and the new private elite on one hand, and the surviving private sector, employees, unemployed, displaced, and poor people, among others.

International humanitarian agencies played a significant role in alleviating grievances and meeting the increased demands for livelihood support actions of Syrian civilians, Internally Displaced Persons (IDPs), refugees and host communities (and states). Furthermore, international organizations operated in high demand, dire security contexts and managed to be present in hard-to-reach areas in the most intensely conflict-affected regions. However, these interventions have failed to bridge the gaps between needs and resources and suffered from polarization, lack of coordination, weak accountability, and most importantly, the dominance of insecurity and conflict-centered institutions. While the role of humanitarian agencies and civil society is significant and aims to mitigate the suffering, they do not have the capacity and space to fulfill the absence of social security.

The global governance system failed to protect civilians in Syria and to activate humanitarian international law and/or effectively enhance the prospect of a just and sustainable settlement. The case of Syria is not unique in the region; the people in this region suffered from injustices at the hands of the global system in Palestine, Iraq, Lebanon, Yemen, Libya, and others.

The application of international law during the Syrian conflict has been negligible, which has

impeded the alleviation of civilian suffering and set the grounds for a prolonged conflict. The global power struggle has a direct effect on the intractability of the Syrian conflict. This struggle represented in the approaches of the permanent five members of the Security Council in addressing the Syrian war and the impacts thereof. The struggle is reflected in contradicted priorities and policies including political and military interventions, sanctions, and economic and humanitarian support, with substantial involvement of conflicting regional actors.

JUSTICE TO TRANSCEND CONFLICT

This report suggests the Human Status Framework as a comprehensive, evidence-based approach to analyze the impact and dynamics of the conflict from the justice lens. The institutional, social, and economic diagnoses of the conflict identify injustice as a core root of the conflict, and perpetuation and creation of new and existing injustice as a key outcome of the conflict. This framework and analysis can contribute to forming a widely accepted narrative for the conflict, and then creating alternative pathways for the transcending of the intractable conflict through addressing the injustice as a main foundation to create sustainable peace.

The report suggests alternative approaches to start the transcending process of conflict, based on the political economy analysis of the key active powers and dynamics of the conflict.

- Social congruences in participatory approach: The political economy of peace-oriented institutions
- Dismantling conflict economy
- The Nodes Overlapping Development Strategy
- Justice to children

1. INTRODUCTION

1. INTRODUCTION

1.1 THE CONCEPT OF JUSTICE

The concept of 'justice' has been widely debated by scholars for thousands of years. Debates center around theoretical conceptions, such as ethical considerations, fairness, morality, consequentialism, and utilitarianism; as well as how to operationalize justice in practice, the role of institutions, the tension between justice and individual freedoms and many other considerations. Despite these debates, there is a consensus that justice is important from a fairness perspective (Maiese, 2003).

Aristotle framed justice through the lens of morality, dividing it into two concepts: distributive justice, based on the fair distribution of resources after accounting for readiness, competency, and capacity; and corrective justice, as it functions to restore rights to those who have been stripped of them. Aristotle emphasized on temperance to achieve justice, where there is no undue excess or restraint, and no overreaching or downplaying of demands. This is necessary in order to break with utopias and radicalism in seeking justice (Johnston, 2011).

Different schools of thought have dealt with the concept of justice based on deontology (ethical considerations of justice) and consequentialism (the outcome of justice). This includes utilitarianism (Hume, Stuart Mill, Bentham), contractarianism (Hobbes, Locke, Rawls, Gauthier), and egalitarianism (Sen, Dworkin, Anderson) (Miller, 2017). However, there is no consensus on a single theoretical framework of justice; to a large extent, it is related to societal contexts in terms of culture, institutions, and socioeconomic conditions.

The concept of justice has developed towards the idea of equal rights and responsibilities of equal citizens, especially in terms of political and legal rights, in addition to social justice as distribution of resources based on needs or merits and

people's contribution to the public good (Arab Center, 2014). Deutsch distinguished between three principles in different contexts: equity, which leads in the economic sphere; equality, which is dominant in political and social spheres; and need, which is most relevant in terms of human capital and personal development. (Deutsch, 2011). The complexity of the concept has resulted in many forms of justice such as distributive justice, procedural justice, retributive and reparative justice, a sense of justice, moral inclusion, intergenerational justice, and global justice (Deutsch, 2011; Miller, 2017).

Arguably, the most influential work to frame the concept of justice is John Rawls' *A Theory of Justice* (1971). Rawls defines a just and fair society as one in which individuals enjoy equal rights in the context of processes and arrangements adequate to guarantee the basic rights, including liberties for all. Such a society also takes into account social and economic inequalities in order to provide equal opportunities, and its greatest benefits are felt by its least privileged members. Basic rights, or what Rawls calls "primary goods," are personal rights and liberties, opportunities, wealth, and respect human dignity. To reach this just and fair society, it is necessary to select just principles with which to build the basic structure of society that affects the behavior of individuals. Following the selection of fundamental principles, comes

“ The concept of justice has developed towards the idea of equal rights and responsibilities of equal citizens, in addition to social justice as distribution of resources based on needs, merits, and contribution to public good. ”

●● Reaching the state of social dialogue or public discussion requires that freedom of expression, the right to knowledge, and the foundations of enlightenment values be upheld. ●●

the constitutional stage, in which institutions that are consistent with the principle of justice are established to reach just social orders, processes, and arrangements (Rawls, 1971).

Rawls built his theory on the concept of the 'veil of ignorance' – standing behind the veil, the decision-maker is unaware of how a question of ethics or justice will affect them, and therefore makes their decision with their own prejudices, biases, and assumptions about personal gain. Explaining this theory, Spencer J. Maxcy asks the decision-maker to imagine they have been tasked a new social contract for today's society, without the decision-maker knowing what gender, age, race or social position they will have in this new society. The idea being that since the decision-maker may occupy any position in the society once the veil is lifted, it forces the decision-maker to consider the perspective of all groups, including those who would be 'worst off' (Maxcy, 2002).

Michael Laban Walzer, from a communitarian background, criticized the simple equality concept of Rawls and suggested instead the complex equality concept which takes into account the community context in terms of how do people value the social goods differently across the justice political, social and economic spheres, and proposed the blocking techniques to prevent inequality from being transferred from one sphere to another (Walzer, 1983).

Amartya Sen's *The Idea of Justice* offers a critique and revision to Rawls' concept. Sen considers justice to be largely related to not only to the nature of the institutions surrounding them, but the way people live, and therefore there should be focus on the daily reality of people's lives, and on actual ways of assessing justice. This carries many far-reaching implications for the concept of justice (Sen, 2009). One of Sen's most important steps for salvaging an unjust society is to start from the recognition of grievances and

the identification of injustice, and then to work for their elimination in order to concretely enact justice rather than theorizing a just and ideal society. Sen also emphasizes the idea of social choice, which is based on relative assessments or actual needs, rather than theoretical ideals described by Rawls. Sen also emphasizes the importance of considering the multiplicity of logical and seemingly contradictory motivations, the variety of interpretations and interventions, and the reasonable permissibility of partial solutions, as well as stressing the role of public discussion in social choice. Social choice theory is concerned with the rationales of social judgments in the light of people's preferences, priorities, desires, and concerns - such as the grievances of poverty, detention, and the liberation of women, rather than higher or ideal options. This opens the way for possible alternatives (Sen, 2009).

The determinants of individual and social behavior directly contribute to shaping people's ways of life, and to facilitating their capability to identify common values and priorities, particularly through what Sen called open public discussion or social dialogue. Reaching the state of social dialogue or public discussion requires that freedom of expression, the right to knowledge, and the foundations of enlightenment values be upheld. Thus, there is a need to focus on understanding democracy insofar as it has the ability to enrich rational participation by providing an appropriate environment for interactive dialogue, and not the mere semblance of democratic institutions. Moreover, individuals and communities, regardless of their sects and affiliations, can cooperate with one another if they share one common and agreed-upon political concept of justice, which Rawls defines as 'fairness' in *Political Liberalism* (1993). The existence and role of institutions are of particular importance, in addition to the citizens' ability to adapt to fair institutions and willingness to act on them. When people believe in the fairness of

institutions, they respond better to the execution of procedures that determine their behavior. This is especially true if they are re-assured of fair practices by the commitment of others to these institutions, in which case trust among individuals enhances and a sense of belonging increases as these institutions prove sustainable (Rawls, 1971). It seems that all of this would be possible once an appropriate path for establishing these institutions, based on a realistic interpretation of people's behavioral standards and principles, is discovered (Sen, 2009).

Both Rawls and Sen concentrate on the compatibility between justice and freedom which counters the mainstream literature, especially in economics, which considers inequality to be associated with efficiency, and that by imposing equality people's freedom of choice will be negatively affected. Two recent distinguished books by Thomas Piketty *Capital in the 21st Century* (2017) and *Capital and Ideology* (2020) explain the role of neoliberal policies, which claim the right of freedom, in advanced and developing countries in aggravating inequality and marginalizing poor people which constraints the capabilities and choices of the majority of society (Piketty, 2020).

The Arab Spring reemphasized the severe injustice and the lack of freedom and the dominance of political oppression in the Middle East Region; these social movements and revolutions expressed the need for a new framework for justice in the Arab world that embedded justice and freedom as organically compatible values (Arab Center, 2014). Several Arab countries including Syria, Libya, and Yemen have witnessed a transformation from social movements towards armed conflicts which increased people's grievances and created new forms and systems of injustice.

Injustice is associated with oppression, as is the experience of repeated, widespread, systemic injustice. This oppression can be part of the legal

framework and can be violent, as many forms of oppression can be embedded in the de facto rules, norms, and institutions in a certain society. This structural oppression grows and spreads within the system and cannot be changed solely by changing the rulers and/or laws. Oppression creates many mechanisms to maintain itself, such as holding superior power, conducting systematic terror, control over the state, control over socialization, indoctrination, legitimatization of oppression, and subordination of minorities. The extreme injustice caused by oppressors may lead to a lack of trust in official institutions and can lead to alienation and withdraw of commitment. It can also lead to violent reactions to remove injustice through change (Deutsch, 2011).

Injustice is a core source of conflict in different forms. The occurrence of conflicts fuel injustice to transform the perceived grievances to new levels and forms which differs from the original injustices. Furthermore, the failure to achieve 'just' solutions often leads to further conflict in the future. Injustice lies at the core of many of prolonged conflicts in modern history; including Syria.

For the purpose of this report, we define justice as equitable rights and entitlements of citizens that assures fair social, political and economic capabilities, opportunities, and outcomes as perceived by society. It implies distributional and procedural equities that avoid and/or recover socially produced differences between and within populations groups. This report adopts a practical approach to counter injustice through dynamic correcting of what is perceived as unfair constraints or outcomes by society. Furthermore, this report adopts the framework of inclusive and sustainable development to diagnose injustice and suggest alternatives with the concept of 'Human Status'. Finally, this report emphasizes the organic interrelations between justice, freedom, and solidarity as core values that work together to maintain peace and welfare.

1.2 INJUSTICE AS A ROOT CAUSE OF CONFLICT

The catastrophe that is the Syrian conflict represents a multi-dimensional failure of the development paradigm of post-independence Syria. The roots of the conflict are comprised of many political, social and economic factors. The aggravation of injustice is a core cause of the Syrian conflict, as political exclusion, violations of civil rights, a lack of accountability, and the use of cruel force deteriorate the right of voice and representation. This type of political injustice, according to (Maiese, 2003), may trigger the use of violence as a means to overcome grievances as severe injustice creates the circumstances that fuel the violence and sustain it. The economic and social injustice can be observed in terms of institutions that do not provide equitable access for all to power, security, resources, and services, and create unequal opportunities and unequal outcomes characterized by deprived people and groups suffering from poor living conditions and social marginalization.

Many internal and external factors lead to the intractable conflict in Syria that has fueled chaos and clashes both within and outside the country. Nevertheless, political oppression is the key internal root cause as it created enormous political grievances. Authoritarian institutions succeeded in enforcing structures of subjugation and squandered the development foundations through political exclusion and monopolization of authority. To achieve their goals, authoritarian institutions used structural violence and

hegemony over tangible and intangible resources. Additionally, they abused socialization and indoctrination processes through formal and informal religious, educational and civil institutions to guarantee a social subjugating and perpetuate unjust situations, which is a typical authoritarian behavior according to Deutsch (2005). The alliance between political oppressors and traditionally conservative institutions led to the alienation and subordination across society and hinder progressive change (Barakat, 2006).

The continuation of “institutional suffocation”, which SCPR defines as the divergence between the society and ruling institutions, without available means to mitigate the gap, has exacerbated injustice for Syrians. It has widened the gap between people’s rightful aspirations and changing expectations, and formal and informal institutions. This has deepened the divides between internal subjugating powers (political oppression, fanaticism, and crony capitalism) and society, which led to a phenomenon of profound alienation of people from dominant institutions (SCPR, 2015). The institutional suffocation resulted in alienated people were forced to migrate, or withdraw from society, or to be identified with the oppressors.

Political institutions in Syria are authoritarian before the conflict, with no real participation opportunities for citizens, and poor representation and accountability. The country lacks political freedoms including freedom of expression, and there is an absence of accountability processes and separation of the executive, judiciary and parliamentary authorities. The role of the military in politics has hindered

“ The aggravation of injustice is a core cause of the Syrian conflict, as political exclusion, violations of civil rights, a lack of accountability, and the use of cruel force deteriorate the right of voice and representation. ”

the rule of law and excluded wide segments of the society, ruining the quality of the bureaucracy. Political oppression has shrunk the public space and prevented the effective engagement of civil society, whilst the military and crony elite have dominated the power and resources.

During the nineties, the new political economy shifted the interests towards the elite of the private sector without a change towards more civil rights and representation. The so-called attempt of reform in the new millennium started by opening the space for the civil society and political parties to initiate the dialogue on the future of transformation of Syria; however, the window that was the 'Damascus Spring' was closed quickly by the authorities. Another missed opportunity was the 10th Five Years Plan as a plan for socioeconomic transformation for more sustainable development and social justice. The ruling institutions hindered the institutional transformation of policies and instead adopted, as did most countries in the region, a classical International Fiscal Institutions (IFIs) economic reform program.

The mainstream indicators, including the IFIs and Millennium Development Goals (MDG) frameworks, failed in assessing the risk of inequalities and failure of neoliberal transformation policies in Syria. The mainstream indicators showed that the Syrian economy grew, on average, around 5 per cent during the period 1991-2010. The macroeconomic indicators showed a stable picture with moderate inflation, low budget deficit, moderate unemployment, low external debt, and substantial foreign reverses³.

The economic 'reforms' introduced from the 1990s based on neoliberal principles sought to liberalize the economy, focusing on "getting the price right," and shrink the role of the state in the economy to the minimum. In addition to creating political injustice, these policies also created inequalities and injustice which stand as a root cause of the conflict.

As Syria embraced the market economy and opened its external trade and financial sector, it reduced public investment and improved the investment environment especially for foreign investors. The results in Syria and other developing countries were incredibly damaging, with resources reallocated from public institutions and ordinary people to the crony capitalists and Syrian economic elites. Many negative aspects resulted from the reforms, such as transforming activities from public ownership to private monopolies, like mobile communications, substantial speculation on the real state, and expansion of the informal sector. A deterioration of working conditions led to a substantial drop in labor force participation, especially among women, and GDP growth failed to create enough job opportunities. Furthermore, the false assumption of the increase of productivity with the 'openness' policy had a disastrous impact on industries owing to the trade agreements such as the one with Turkey. The liberalization of subsidies, while the real income of workers remained constant, led to increases in the cost of production and a drop in the household sources of income. This policy redefined the role of the state, pivoting away from providing minimum goods and services for all and awarding power and opportunities to elite businesses. Finally, the disparities in development status across regions in Syria indicate the imbalance of development. These factors aggravated the socioeconomic

●● The economic 'reforms' introduced from the 1990s based on neoliberal principles sought to liberalize the economy, focusing on "getting the price right," and shrink the role of the state in the economy. ●●

●● Above all internal factors, Syrians suffered from external injustice from the colonial legacy and the global power structure that distorted the relations and institutions in Syria and the Middle East Region. ●●

injustice, which to a less extent compared to the political grievance, contributed to the social movement in 2011.

A critical review of the economic performance shows that economic reform towards neoliberal policies created jobless economic growth in the first decade of the new millennium, as economic growth did not create sufficient opportunities. Growth was associated with a substantial decline in the labor force participation for males and females in rural and urban areas⁴. The economy shifted towards low productivity services and hindered the human capital contribution. Furthermore, the majority of Syrian employees were engaged in informal labor,⁵ and they suffered from a lack of social protection, low wages, and poor working conditions (ANND, 2017). The labor market indicators highlight that youth, women, people living with disabilities and people in the Eastern Region and rural areas were disproportionately negatively affected.

Economic growth was accompanied by negative real household expenditure rates as real expenditures declined, on average by 2.1 per cent annually between 2004 and 2009. Additionally, liberalization of fuel prices and poor market efficiency, caused a considerable rise in prices and erosion of purchasing power. The results show that according to the lower poverty line, 33 per cent of workers and their families suffered from extreme poverty if they relied on the labor income in 2010.

Real social policy - in terms of encouraging social capital, enhancing social relations based on solidarity and cooperation, creating space for informal social institutions and initiatives to build trust among people - were absent. Authorities considered social relations and networking across social groups a potential political threat and sought to restrict them. This part of social policy is not addressed in the mainstream neoliberal

framework. Before the conflict, social divisions among different groups were substantial, and the lack of space for social dialogue and institutional interactions squandered the opportunity to create a diverse, wealthy and healthy Syrian society.

Above all internal factors, Syrians suffered from external injustice from the colonial legacy and the global power structure that distorted the relations and institutions in Syria and the Middle East Region. The colonial history is still alive in the region, as Israel continues to occupy Palestine and Syrian Golan heights and has continued its aggression and racist policies, with intensive support from global powers.⁶ This further fueled the militarization in the region and deepened the grievances.

1.3 LIFE CYCLE OF CONFLICT AND INJUSTICE

This report uses the people-centered Human Status Framework that utilizes the capabilities approach and institutional analysis. The HSF is herein used to diagnose the political, social, and economic wellbeing of people in Syria and to assess the impact that the conflict has had on them. Figure 1 elaborates the structure of key dimensions of human status that reflect inclusive development with equal weight for each of it. The justice is implicit in dimensions as cross-cutting theme for a mainstay of achieving the desired outcome - a decent human status.

This report discusses the Human Status dimensions in detail, and focuses on the importance of having just, inclusive, and efficient institutions to enable people to have and use their voice, representation, and agency. Additionally, institutions need to share power and build the implement rules that guarantee a peaceful mechanism to solve potential conflicts and maintain peace.

“ This report uses the people-centered Human Status Framework that utilizes the capabilities approach and institutional analysis. ”

Figure 1: Dimensions of the Human Status



Moreover, inclusive development is associated with an inclusive economy based on human capital and knowledge, in addition to the sustainable usage of natural resources. Pro-poor and pro-job growth empower people and mitigate against disparities and injustice within society. Furthermore, social capital that is consisted of shared values, trust, and bridging relations within a culture of respect and sympathy is a crucial component of peace and welfare status. Human empowerment dimension includes both the tangible aspects – such as access to employment, education, health and welfare; and the intangible ones such as dignity and status. Inequalities based on gender, class, ethnicity, religion, geography, age and political affiliations are often precursors for conflict.

This report illustrates the significant injustice and deterioration in most of the factors that determine healthy human status. During the conflict, it can be seen that a social movement to address injustice transformed into a severe armed conflict shifted the grievances to catastrophic levels (Figure 2).

Figure 2: The injustice of Human Status during conflict



This report identifies three types of injustice that have arisen due to the conflict. Firstly, there is **retroactive injustice** which includes the destruction and deterioration of the tangible and intangible wealth of Syria that has been accumulated through centuries. The authoritarian and fundamental formal and informal institutions have negatively affected people’s right to life, protection, and participation. Additionally, the accumulated social relations in terms of cooperation, trust, social networks, family relations, collective memory, and intangible culture have been severely damaged by identity politics and a culture of fear. The accumulated human capability in terms of productive work experience, level of education, health, and social safety nets have been victims of the brutality and destruction. Economic capital, stock, properties,

“ This report identifies three types of injustice that have arisen due to the conflict, retroactive injustice, current injustice, and future injustice. ”

and natural resources are included in Syria's losses. As a result, the country has lost decades of development and is imposing the injustice on the past, as if punishing those who built the country's economy, culture, relations, human capital, and institutions.

The second type of justice that this report identifies is **current injustice**, which represents the shift of once-integrated and productive economic and social activities into destructive forces. Work, education, and public health have become a means and tools of the conflict; forces actively targeted these systems and activists as a means to fracture society and break down social relations. The conflict has led to the creation or manipulation of institutions designed to fuel conflict through conflict economy and tyranny that are based on the suppression of people and actors. The grave violations during the nine years of conflict, and the scale of involvement (or interference) of multiple domestic, regional, and international armies, personnel, and resources has destroyed the human status of Syria. As this report will demonstrate, the resulting grievances are not uniformly distributed across regions, sex, age, displacement status, and political affiliations. Moreover, the level of loss, which is far beyond the capacity of Syria to bear alone, explains the level of internal and external resources allocated to the conflict. At the same time, the effects of the Syrian conflict have enabled direct foreign intervention and involvement in the conflict, an exodus of refugees, the halt of productive trade and economic relations, cross borders conflict economy and weapons trade, human trafficking and the spread of identity politics. That reflect currently in unprecedented grievances for the vast majority of Syrians.

Thirdly, **future injustice** represents the subjugating powers institutionalizing conflict-centered institutions, relations, and economy which will have far-reaching effects into the future. These powers build the foundations of injustice which will ensure future grievances created out of the conflict. Many examples already exist through

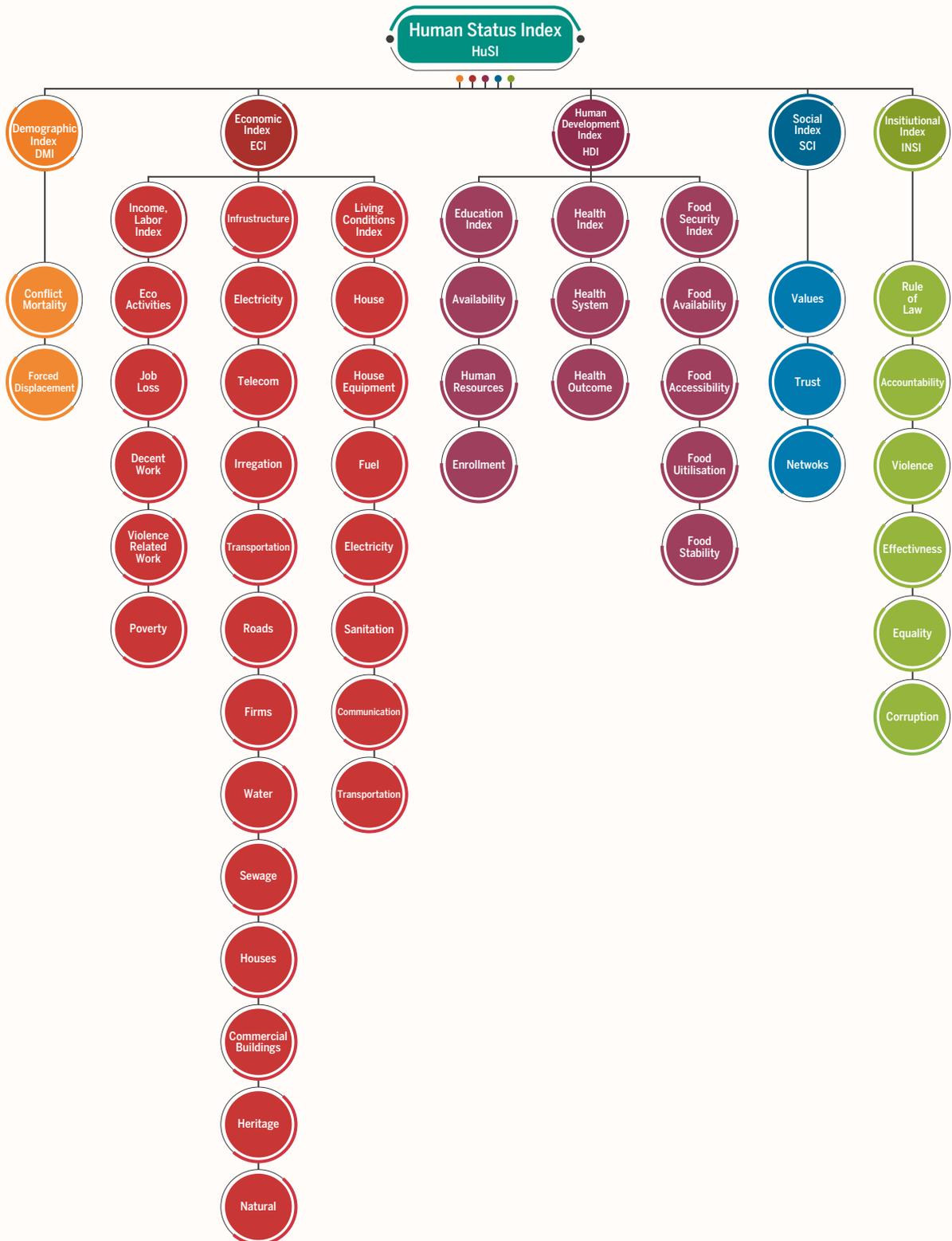
the "reconstruction process" that is benefiting the conflict elite. The conflict continuation or the unjust conclusion of conflict will incentivize the subjugating powers and squander the future of the next generations in addition to the current one. These future injustices will increase the possibility of further conflict in Syria and could trigger conflict in other countries. To assess and measure injustice during the conflict the report proposes the human status measurement approach.

1.4 HUMAN STATUS APPROACH AND MEASUREMENT

The report uses the Population Status Survey 2014 that was designed based on the HSF to assess the development performance in Syria. It uses a hybrid quantitative and qualitative methodology to assess the human status of local communities based on three tools: secondary data, intensive key informants' interviews, and researchers' observations. The report also uses the available secondary data, experts' interviews, background papers, and different modelling techniques to estimate key development indicators such as GDP per sector, trade, public budget, prices, employment, poverty, population, education enrollment among others (Annex 1 elaborates the methodologies).

The process of constructing a composite index involves several stages, including the identification and selection of indicators that reflect the main components of Human Status and different methods for standardizing, weighting and aggregating indicators. The last stage is conducting sensitivity tests (Laurson et al., 2007). The process of developing composite indices involves a large number of methodological challenges. These include a reliance on expert judgment, which often goes along with some uncertainty, and the rough attribution of weights to sub-indicators, which is another challenge in the construction of a composite index (WHO, 2017).

Figure 3: Human Status Index and its dimensions and indicators in Syria



The importance of measurement is even more evident in the context of armed conflict, where it becomes increasingly important to discern new war-time interactions and to direct interventions towards mitigating or overcoming the impact of violence on human status. In this context, the research team has designed research tools for the population survey at the community and national levels, where it has been able to construct an index for human status based on its main components.

The selection of indicators, and consequently the formulation of the questionnaire for the population survey, is largely based on literature review and consultation with experts. The questionnaire included questions about demographic, social, economic human and institutional status. The unit of analysis being the local community (SCPR, 2016).

According to the operational definition, Human Status Index (henceforth, HuSI) is determined using an aggregate scale with five equally weighted components. The composite indicators within each component are also equally weighted (Figure 3).

In calculating HuSI and its components and its indicators, this report relies on the data provided by the 2014 Population Survey (Annex 1) for both the pre-conflict (2010) and during-conflict (2014) periods. Additionally, it has estimated the index for the period 2015-2019 based on a partial update to the population survey, and experts' interviews, secondary data, and estimations of several sub indicators which will be discussed in detail in the report's following sections.

The components were constructed after normalizing all indicators into values between zero and one, in addition to weighting them according to the population number of the studied area when aggregated at the governorate level or the national level. The five components also took values between zero and one, and HuSI was formulated as explained in Figure 4 below.

Figure 4: Human Status Index (HuSI) Composition

$$HuSI_t = \frac{1}{5}DMI_t + \frac{1}{5}ECI_t + \frac{1}{5}HDI_t + \frac{1}{5}SCI_t + \frac{1}{5}INSI_t$$

HuSI - Human Status Index. It takes a value between 0 and 1, where zero indicates a lacking human status and one that it is functioning at its best.

DMI - Demographic Index. It takes a value between 0 and 1, where zero indicates a lacking component and one that it is functioning at its best. It consists of two main indicators, conflict related deaths and forcibly displaced people.

ECI - Economic Index. It takes a value between 0 and 1, where zero indicates a lacking component and one that it is functioning at its best. It consists of three sub-indices, economic activity index, infrastructure index, and living conditions index.

HDI - Human Development Index. It takes a value between 0 and 1, where zero indicates a lacking component and one that it is functioning at its best. It consists of three sub-indices, education index, health index, and food security index.

SCI - Social Capital Index It takes a value between 0 and 1, where zero indicates a lacking component and one that it is functioning at its best. It consists of three sub-indices, social networks and participation index, trust index, and shared values index.

INSI - Institutional Index. It takes a value between 0 and 1, where zero indicates a lacking component and one that it is functioning at its best. It consists of six sub-indicators, rule of law, accountability, prevalence of violence, government efficiency, equality, and corruption indicators.

1.5 KEY RESULTS

The movement that started in Syria in 2011 as part of the regional Arab Uprisings was a protest that expressed society's aspiration and demand for politically and economically inclusive institutions, pluralism, equity, civil rights and liberties, social and political change, and an inclusive and accountable system of governance. This movement quickly transformed into an armed conflict, due to the aggressive actions of the Syrian state and the interventions of external powers. The hegemony of the security apparatus, alliance of wealth and power prior to 2011, and institutional incapacity to provide the minimum of political inclusion, freedom of expression, protest or dissent played an important role in the evolution of the state-society dynamic after 2011 as there was no history of bottom-up reforms and a lack of societal trust.

The hopes of the Syrian people were crushed by forces of oppression, both from within and outside the country, and as combatting forces fought with absolute impunity, human rights violations and war crimes were normalized including targeting civilians, forced displacement, destructing infrastructure, using international forbidden weapons, sieging cities and villages among others. These injustices are now entrenched, and many are irreversible. The arbitrary detainee cannot recoup their losses when they are freed and are unable to be compensated the daily degradation of their dignity, nor a child regain lost years of schooling even if they enter school at a later age - the many hours and years when they were deprived of joy and the ability to play remain unchanged.

The conflict dramatically changed the nature, severity, and dynamics of inequalities for Syrians. The grave violations of human rights, distortion of formal and informal institutions, inhumane use of violence, social degradation, squandering of economic foundations, development of conflict economy, and abuse of natural resources and

environment are outcomes that will reverberate for the whole of Syria.

This conflict has shifted the analysis framework from inequalities to injustice for Syrians. Whilst injustice may be nationalized for the whole society, this injustice is not homogenous across the population. These injustices will be measured using HuSI that consists of demographic, economic, human development, social and institutional pillars. Each consist of indicators and sub-indicators.

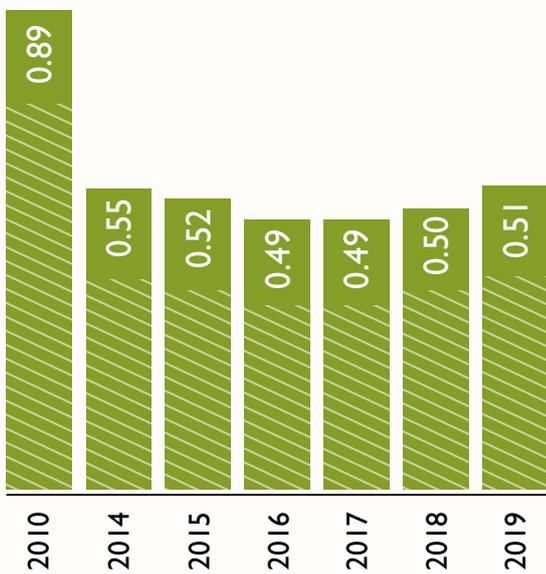
Figure 5a illustrates dramatic drops in HuSI over time, falling from 0.89 in 2010 to 0.51 in 2019. Figure 5b illustrates the dimensions between 2010 to 2019, the most severe of which was the INSI drop from 0.78 in 2010 to 0.25 in 2019; this was closely followed by SCI and HDI which dropped by 44 percent and 43 per cent between 2010 and 2019, respectively. While some indicators stabilized or rebounded marginally between 2014 and 2019 like DMI, each of INSI, SCI, and HDI plummeted further between 2014 and 2019.

The results display uneven deterioration in the HuSI by governorate which reflects the nature of the destruction in Syria, with governorates such as Aleppo, Al-Raqqa, Rural Damascus and Homs suffering the greatest deterioration.

●● The hopes of the Syrian people were crushed by forces of oppression, both from within and outside the country. ●●

•• The grave violations of human rights, distortion of formal and informal institutions, inhumane use of violence, social degradation, development of conflict economy, and abuse of natural resources are outcomes that will reverberate for the whole of Syria. ••

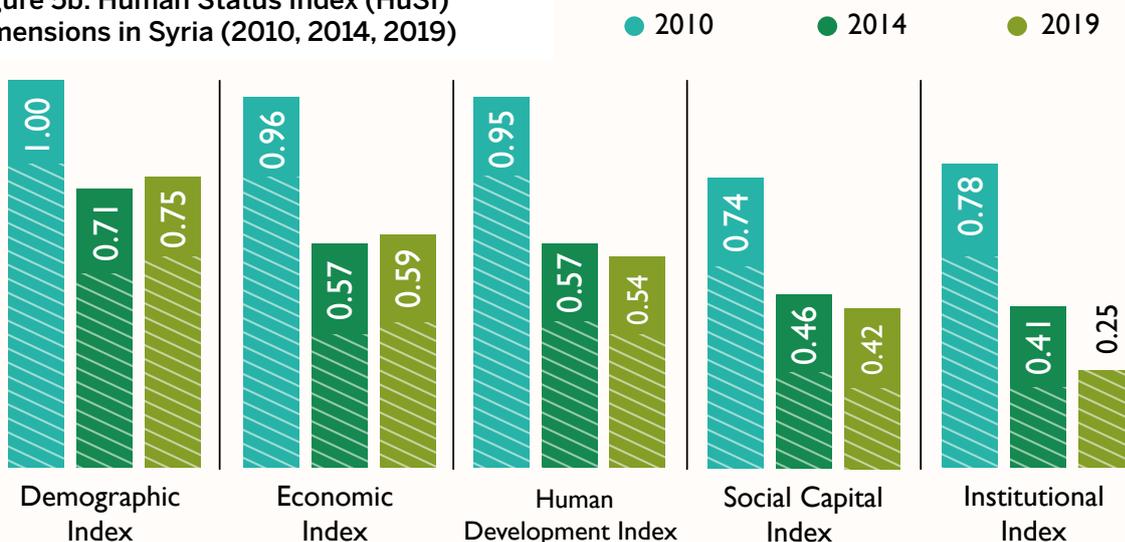
Figure 5a: Human Status Index (HuSI) in Syria (2010-2019)



Source: Population Status Survey 2014 and update, BTI 2018, ACLED 2020, and SCPR estimations.

In the demographic dimension of HuSI, the surge in conflict-related death is the most catastrophic impact of the conflict, which is a direct loss of human beings' civilians or combatants (Figure 6). This massive loss is estimated to represent approximately 2.5 to 3 per cent of the total population of Syria in 2010, with some governorates suffering disproportionately higher losses. The loss of lives over the nine years is a fundamental failure of the right to protection. Once deceased, the relative status of the dead person is another source of inequality. Labelled as terrorists or martyrs, heroes or criminals, civilians or combatants, the families that have lost members will be affected by this arbitrary post-mortem labelling that is dictated by the dominant local actor (ideology or strategy). Such families may be punished and excluded or rewarded and supported based on the classification. The absence of transitional justice and meaningful closure of the conflict will continue to propagate injustice long after the conflict has ceased. Most conflict-related deaths are men, who traditionally were the 'breadwinners' of the family. This has

Figure 5b: Human Status Index (HuSI) dimensions in Syria (2010, 2014, 2019)

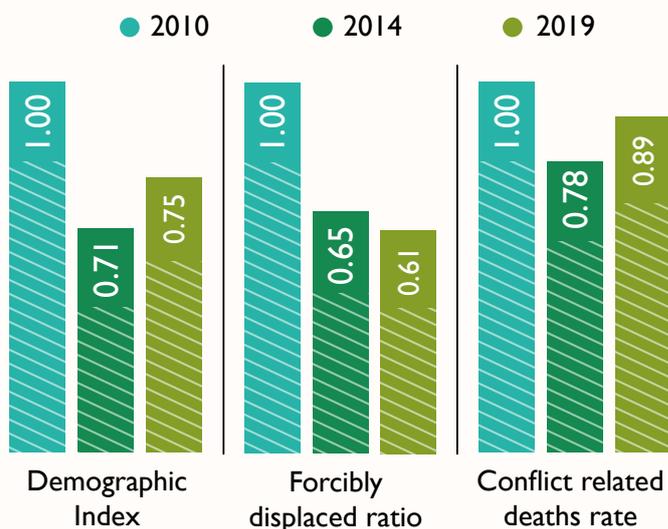


Source: Population Status Survey 2014 and update, BTI 2018, ACLED 2020, and SCPR estimations.

created social and economic challenges for families that have lost members including the dependency on assistance or shifting the role of women to be the head of the household and creating new pressures on children to contribute to the household and drop out of education or seek employment, whatever the cost or conditions.

Another related aspect of injustice is conflict related to disability, both physical and/or psychological. Conservative estimates put the prevalence of disability at around 20 per cent of the population of Syria, of which up to 1.2 million are children under 18 years old. In Aleppo, Ar-Raqqa, and Idlib this increases to 33 per cent in 2018. Such victims of war are currently and will continue to suffer from the injustice that cannot be addressed by institutions.

Figure 6: The Demographic Index (DMI) and its dimensions (2010, 2014, 2019)



Source: Population Status Survey 2014 and update, BTI 2018, ACLED 2020, and SCPR estimations.

The conflict has created massive displacement waves as more than half of the population has been forced to leave their homes. However, displacement is about more than losing a shelter. Families leave their communities and thus their relations connections and social and professional

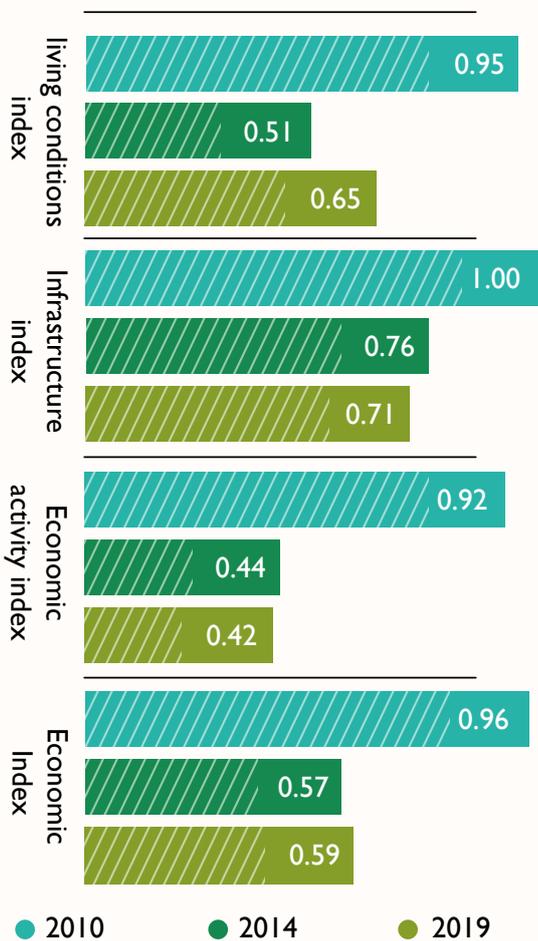
networks. Families lose the accumulated wealth and assets that have been developed over the years and sometimes generations, with little hope of securing permanent formal employment. Lastly, families lose belongings and documents, including important identity papers such as passports. Those displaced internally (IDPs) and those that have left Syria (refugees) bear enormous hardship and inequality, starting from their status as an underclass or burden as perceived by the host community. Such populations lack a voice, representation, and rights and are subject to poor living conditions, discriminatory policies and behaviors, poor protection and poor opportunities are dependent on subsidies and handouts.

Owing to their dispersal and politics, refugees live in unstable and changing situations. Policies and treatment differ over time, between hosting countries, and even within the same country. Furthermore, most hosting countries are increasing pressure on Syrian refugees to return to Syria, even in the absence of a political agreement or resolution to the conflict. As refugee populations spend an increasing number of years abroad, they are learning new languages and are developing new traditions and networks. This will create a challenge in the future for the integration of refugee populations upon their return to Syria. As it stands, a Syrian refugee child may be eight years old and have never been to Syria.

In the economic dimension, the Syrian economy has decreased in size by two thirds relative to 2010. Despite the relative improvements in recent years, insecurity in some regions in 2018 and 2019 has contributed to continuing poor economic performance. The enormous loss of GDP reflects the nature of conflict which is far beyond the Syrian economic capacity (SCPR, 2019). The conflict has affected different parts of Syria, and thus different segments of the Syrian population in different ways. The conflict has resulted in complete destruction of infrastructure, job opportunities and local economies in some cities, whilst other cities have not been affected to

the same degree. The same can be seen in terms of job opportunities, income sources, and prices. Those besieged cities in front-line areas have been the worst affected, with some witnessing localized famine (Figure, 7).

Figure 7: The Economic Index (ECI) and its dimensions (2010, 2014, 2019)

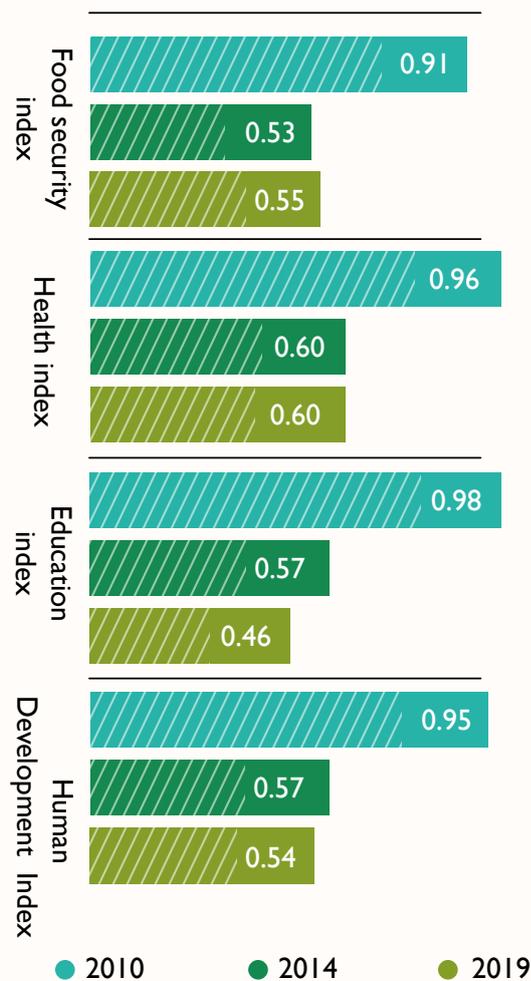


Source: Population Status Survey 2014 and update, BTI 2018, ACLED 2020, and SCPR estimations.

The conflict economy has cemented its foundations in the country and has become an important system to control and distribute resources, to maintain power, and to continue to fuel the conflict. The tools of conflict economy are many, for example, looting and pillaging of private and public wealth and natural resources which has been used to redistribute remaining

resources to warlords and the conflict elite. Indeed, this can be seen as the biggest wealth redistribution in contemporary Syria. Economic policies have shifted, creating incentives for the continuation of the conflict and benefiting the elite at the expense of significant segments of the society. These past nine years have reshaped the political economy of the country and established economic inequalities that create and propagate injustice and will hinder future recovery.

Figure 8: The Human Development Index (HDI) and its dimensions (2010, 2014, 2019)



Source: Population Status Survey 2014 and update, BTI 2018, ACLED 2020, and SCPR estimations.

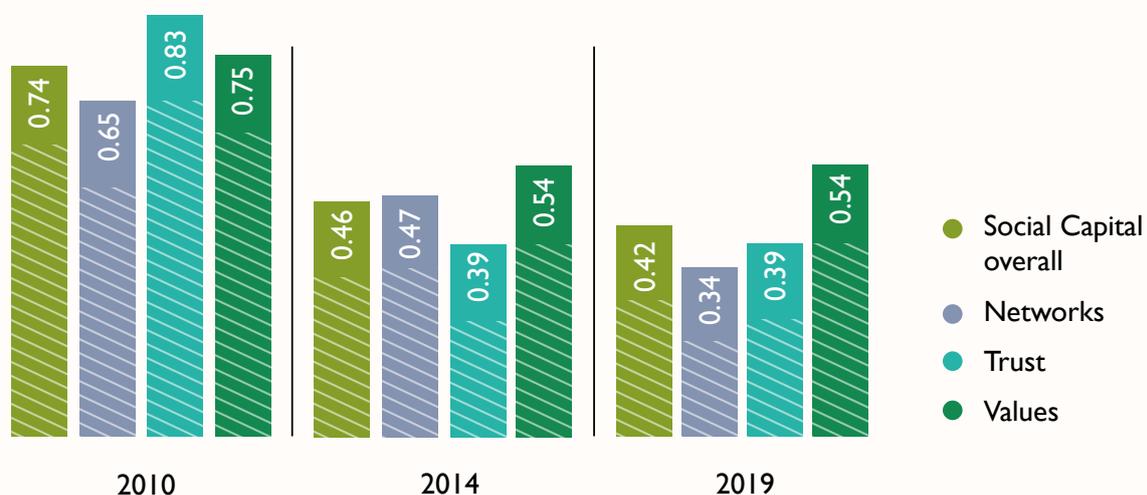
In the human development dimension, the conflict has significantly worsened health

outcomes across Syria in several ways. Chief among them, however, is the severe damage to governance of the health system. This has been driven by the fragmentation of the state undermining a coordinated and resourced health system. Health system infrastructure, facilities, and staff have been targeted during the conflict, whilst supply chains and the supply of power and water have been affected by destruction and blockades. Healthcare staff have been displaced alongside millions of other people in Syria, and those that remain are working longer hours and on more severe cases with fewer supplies and in worse conditions. Access to health services has been subject to unequal and discriminatory policies that collectively punish communities whilst violence, infrastructure damage, loss of wealth and disability create new barriers to seeking care. The deterioration of preventative care has increased and diversified the burden of disease, whilst conflict-related injuries have also soared. Whilst humanitarian agencies have attempted to fill the gap, conflict-related policies and circumstances including accessibility have made this difficult to reach (Figure, 8).

Another grave injustice is the scale but also heterogeneity of deprivation of educational opportunities for children. Almost half of Syria's children are not in school, becoming a generation that has missed out enrolled on education which will have far-reaching future consequences. The quality of education has also deteriorated substantially. As with health, the education system has fragmented resulting in the development of context-specific curricula driven by warring cultures, values and identities. Refugee children have low enrolment rates and face many challenges in accessing educational opportunities due to the lack of supply or access barriers such as lack of documentation, the hardship of the refugee's family, and new languages (Figure, 8).

Inequalities can be generated by the deterioration of social capital (SCPR, 2017) due to high levels of oppression, polarization and the spread of ideological fanaticism. Social trust has decreased on several levels throughout Syria. The trust between individuals has been affected by the authoritarian actions characterized by killing, forced disappearances and torture. The

Figure 9: The Social Capital Index (SCI) and its dimensions at the national level (2010, 2014, 2019)



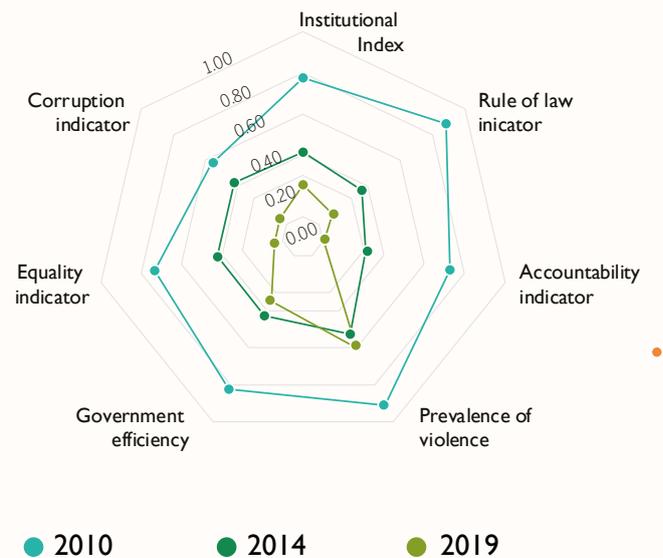
Source: Population Status Survey 2014 and update, BTI 2018, ACLED 2020, and SCPR estimations.

•• The efforts to reach a solution that reflects Syrian society’s wishes vanished with the absence of the right to life, protection, and participation. ••

general sense of security too has deteriorated due to incidents of kidnapping, arbitrary detention, forced disappearance, an upsurge in crimes including theft, murder, looting and the exploitation of children and women. Lastly is the collapse of trust in institutions, which were established to be accountable and serving of the people. The conflict has caused and exacerbated rifts between individuals and communities regarding shared values and visions for the future. These have been exploited by conflict economy and actors to propagate the conflict. Furthermore, despite the increasing role and responsibilities of women during the conflict and their participation in civil society initiatives and organizations, their social status deteriorated as a result of the widespread on insecurity and the domination of violence centered powers, which restricted their ability to participate effectively in social space. Some communities and regions that have suffered from exclusion like the eastern region, have seen an escalation of marginalization and discrimination which has been used as a tool to increase the fear of both supporters and opponents. The use of identity politics is crucial for subjugating powers to subdue people (Figure, 9).

Over the last nine years, the Syrian people have lived through several forms of governance arbitrated by varying political state and non-state actors, representing a reflection of the expansion and fragmentation of political powers ruling the country. Conflict and fragmentation have distorted the political institutions which are now characterized by the excessive use of force, military dominance, gross violations of rights, oppression and political oppression. New conflict-centered institutions have become a means to an end for military dominance through subordination and abuse of economic, human, cultural, and social resources. The mandates of de facto institutions reflected complex and contradicted interests of international, regional and local subjugating powers (Figure, 10).

Figure 10: The Institutional Index (INSI) and its dimensions (2010, 2014, 2019)



Source: Population Status Survey 2014 and update, BTI 2018, ACLED 2020, and SCPR estimations

The efforts to reach a solution that reflects Syrian society’s wishes vanished with the absence of the right to life, protection, and participation. In this environment, society has lost access to security, justice, and decent living conditions. Assessment of the institutional performance in terms of rule of law, accountability, and efficiency have become irrelevant as the conflict squanders the basic roles of institutions. The discriminatory and exclusionary policies and legislations unevenly distributed the impact of the conflict on people and communities. Nevertheless, many initiatives by communities and humanitarian agencies continue to try to mitigate the suffering of the population. Alas, these activities are ‘too little too late’ for a country and society ravaged by the injustice of nine years of war.

In subsequent sections, the economic, social and institutional forms of injustice will be analyzed in detail during the conflict period.

2.

ECONOMIC IMPACT
OF THE CONFLICT

2. ECONOMIC IMPACT OF THE CONFLICT

This report uses the most recent evidence to analyze the current status of the Syrian economy and its dynamics. This section will examine various aspects of economic injustice that have emerged during the conflict by measuring and documenting the heterogeneous destruction of wealth and capital and the reallocation of resources from developmental and civil activities to conflict-related activities. Newly emerged economies have brought with them new systems of incentives, illustrating that, despite competing interests, there are also common interests among rival subjugating powers. This is most evident in the abuse of economic resources for the benefit of a new conflict elite at the expense of productive economic activities. The dramatically altered map of actors in Syria has shaped the violence-related economic networks; and since 2016, the country has seen the expansion of government-controlled areas to include Aleppo and Deir-ez-zor, the expansion of regions controlled by Syrian Democratic Forces (SDF) and armed opposition groups, as well as the military defeat of ISIS. In addition, the Syrian conflict has also witnessed expanding roles of external actors, including Russia, Iran, Turkey, and the USA. This changing landscape has greatly impacted the conflict economy. These networks have adapted to new actors and its policies, capitalizing on and propagating the exchange of economic benefits such as smuggling goods and oil transactions. These lucrative networks have a vested interest in the continuation of conflict and consolidating and legitimizing their power during any future “reconstruction” or peace process.

The aim of economic policies has shifted from creating added value to society to being tools of war. The warring actors have weaponized economic resources and policies to wear down the opposing side, depriving them of the means to continue fighting or to sabotaging the ability to adequately meet the basic needs of their communities. Those on the receiving end are losing their lives, as well as tangible and intangible resources and social relations. One common

risky survival strategy has been to pick a side and become an instrument of oppression. Such a strategy sees families avoiding the worst suffering and forcibly engaging in conflict economy activities. These economic policies have included complete physical and military besiegement; gradual confiscation of people’s income and assets; and the cost of living rising to an unprecedented level.

Syria’s economic foundations have been transformed into a self-sustained violence economy in which the main capital stock was destroyed or reallocated to conflict-related activities, workers have lost their jobs, and a significant proportion of the remaining opportunities directly or indirectly serve the conflict and the new conflict actors. Thus, the concept of injustice within the HSF that is adopted in this report goes beyond an examination of the concept of inequality. Injustice in Syria has become an established system that imposes suffer for all Syrians and inequality between people according to geography, gender, political affiliation, class, migratory status, and cultural background.

This section estimates the economic losses between 2016 and 2019, and updates the estimations from previous years of the conflict. It also diagnoses economic growth/decline across the various sectors, the structure of the economy, sources of economic growth, fiscal policy and public budget structure, price and exchange rates volatility, trade development, and job creation. Moreover, this section highlights the impact of current public policies on the economy. It uses the same methodologies applied in previous SCPR reports, and updates estimations to reflect real sector dynamics across all regions of Syrian between 2011 to 2019. This was done through using quantitative proxy indicators, seasonality analysis, econometric model and qualitative analysis within a political economy framework. The report used the counterfactual methodology to estimate the economic loss,

•• The warring actors have weaponized economic resources and policies to wear down the opposing side, depriving them of the means to continue fighting or to sabotaging the ability to adequately meet the basic needs of their communities. ••

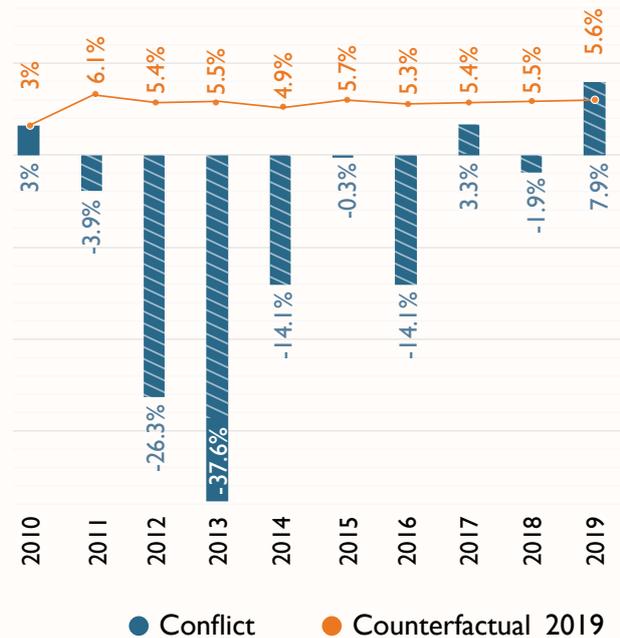
where the 'conflict scenario' is the estimation of the actual and current GDP, capital stock, employment, and other economic indicators. The 'continuing scenario' is the projection of what these indicators would be during the same period in the absence of the conflict, to measure the opportunity lost.

Designing the analytical framework to measure economic losses during conflict is challenging. The research team of this series of reports on the impact of the Syrian conflict has continuously updated and re-examined the methodology applied in order to identify the most accurate approaches. This also applies to the methods used to estimate social cost and loss. The ongoing review and development of research methodologies is critical in the understanding of such a dynamic and constantly changing conflict-affected environment.

2.1 ECONOMIC SECTORS PERFORMANCE

The Syrian economy in 2019, as measured by GDP, was equivalent to 36 per cent of its 2010 level. In the counterfactual scenario (i.e. in the absence of conflict) the current GDP would stand at 1.62 times the 2010 figure. The greatest reduction of GDP occurred in 2013, thereafter, the shrinking trend became slower (Figure 11). In 2016, the economy again shrunk severely as the conflict intensified on many fronts, in addition to economic policies that continue to increase the prices of oil derivatives. In 2017, the relative improvements in security conditions of some regions - especially with the de-escalation zones agreement - led to the growth of national GDP by almost 3.3 per cent, however it contracted again in 2018 by 1.9 per cent. 2019 witnessed a positive growth rate of 7.9 per cent due to the reduction of violence and substantial growth in the agriculture sector.

Figure 11: The growth rate of GDP in constant



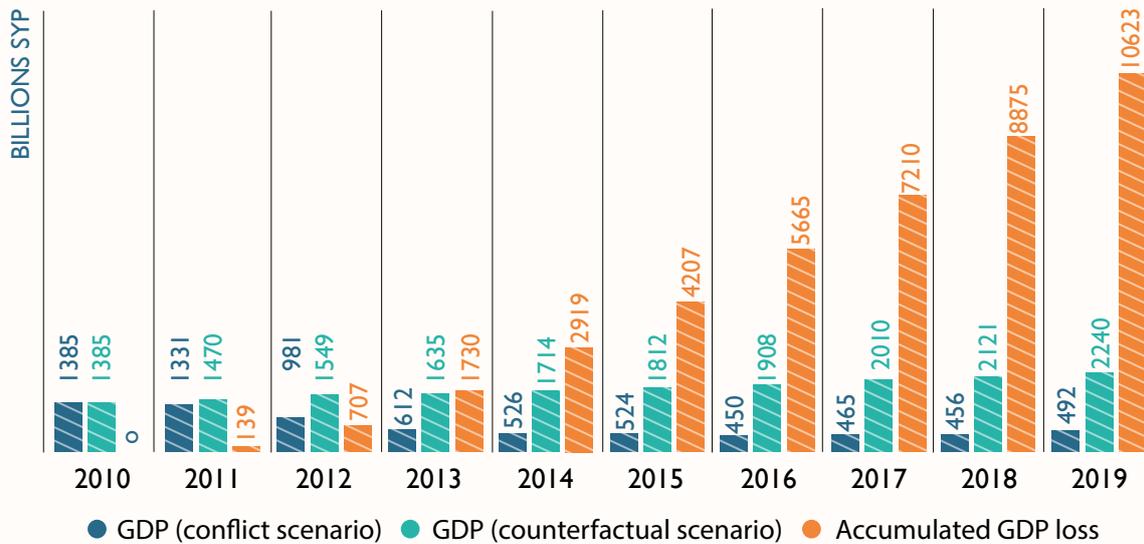
prices in conflict and counterfactual and conflict scenarios (2010-2019)

Source: SCPR, 2019 estimation

The accumulated loss of GDP reached SYP 10623 billion by the end of 2019 which equal to The USD 420.9 billion by the end of 2019. This accumulated GDP loss is about 7.7 times Syria's GDP in 2010 and almost 21.6 times GDP in 2019 (Figure 12). The enormous GDP losses reflect the nature of conflict which is far beyond the Syrian economic capacity. The continuation of conflict in spite of all these losses shows the regional and international actors' interventions that fuel the conflict and/or provide humanitarian support.

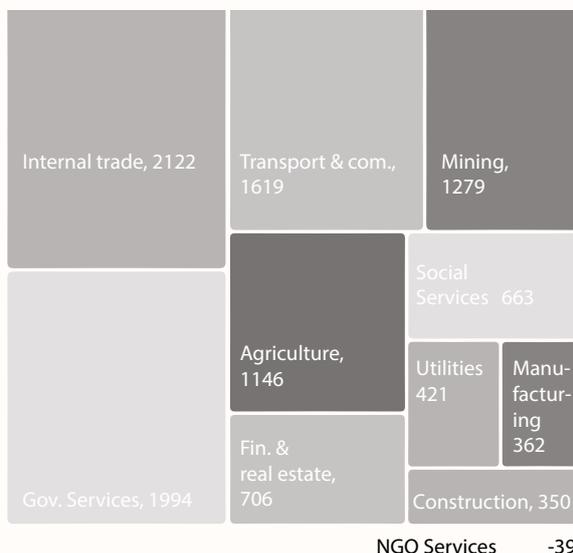
•• The Syrian economy in 2019, as measured by GDP, was equivalent to 36 per cent of its 2010 level. ••

Figure 12: GDP conflict and accumulated GDP loss in constant 2000 prices in billion SYP (2010 – 2019)



Source: SCPR, 2019 estimations

Figure 13: Sector structure of estimated total accumulated GDP loss (2011-2019)

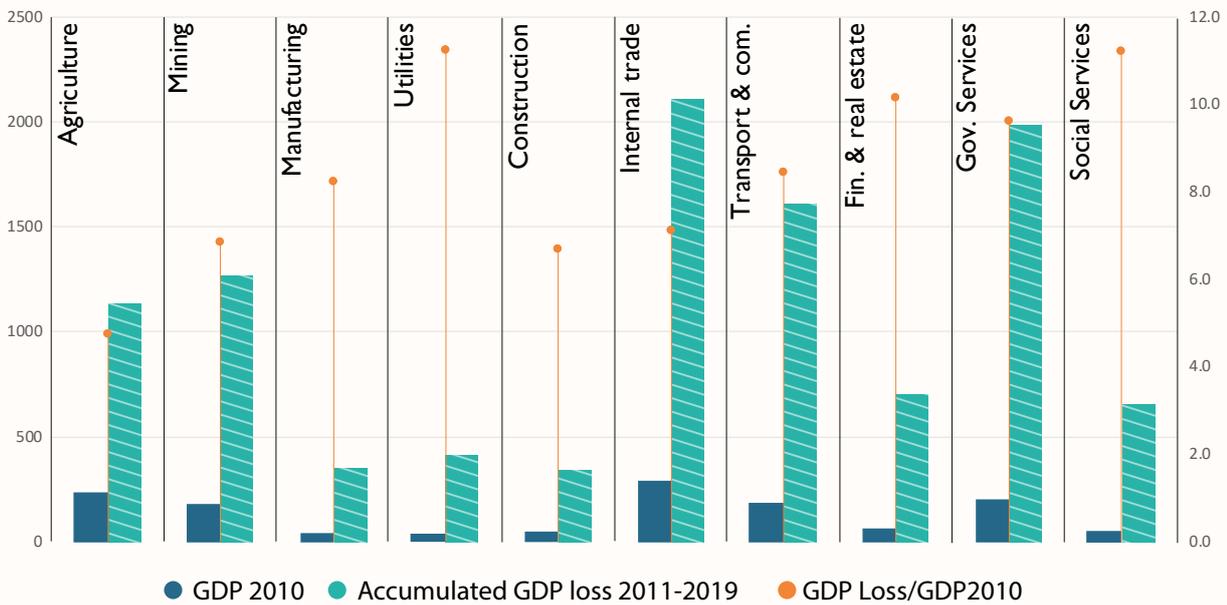


Source: SCPR, 2019 estimations

The main sectors contributing to the accumulated GDP loss to the end of 2019 were: internal trade, which lost SYP 2,122 billion and accounted for 20 per cent of the total GDP loss; government services sector, which lost SYP 1,994 billion and accounted for 19 per cent of total GDP loss; transportation and communications sectors, which lost SYP 1,619 billion, accounting for 15 per cent; the mining sector which lost SYP 1,279 billion, making up 12 per cent of total GDP loss; the agricultural sector, which lost SYP 1,146 billion, accounted for 11 per cent; and the finance and real estate sectors, which lost SYP 706 billion, accounting for 7 per cent of total GDP loss (Figure 13).

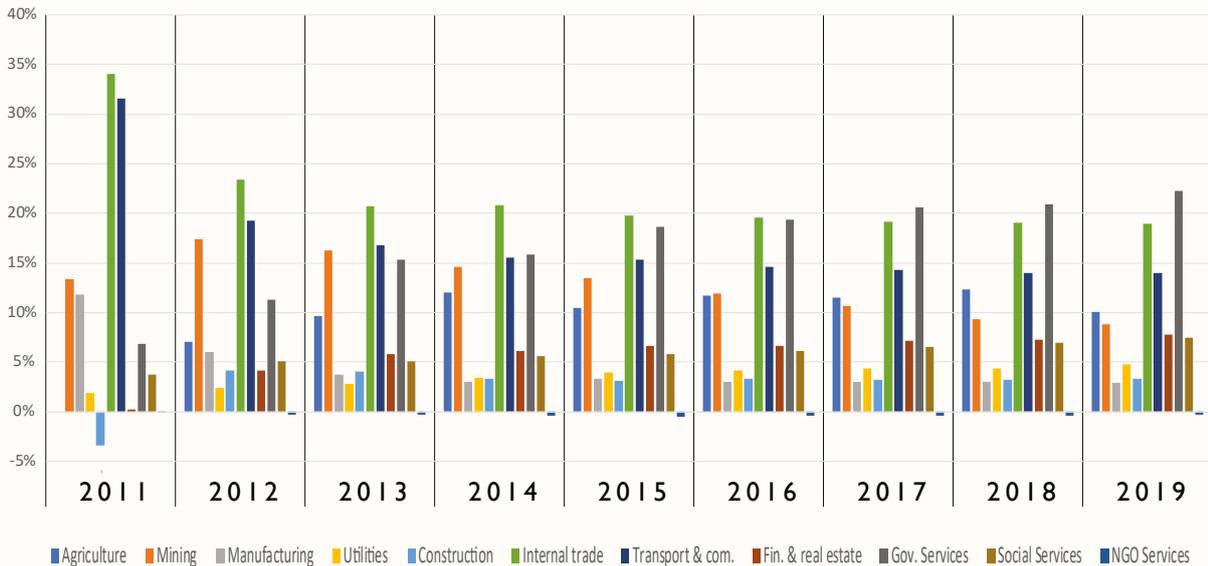
Figure 14 illustrates the magnitude of GDP loss in each sector compared to its 2010 equivalent. The results show that by the end of 2019 the loss in both the utility and social services sectors was equivalent to 11 times the sector’s GDP in 2010, and the loss in each of the finance and real estate and government services sectors was approximately 10 times. The loss in each of the manufacturing and transportation sectors

Figure 14: GDP accumulated loss by sector by the end of 2019 and real sector GDP in 2010 (Billions SYP constant prices 2000, GDP Loss/ GDP2010 in percentages “right scale”)



Source: SCPR, 2019 estimations

Figure 15: GDP loss by sector, as a percentage of sectors' 2010 GDP (2011-2019)



were around 8 times. The Non-Governmental Organizations (NGO) sector was the only sector to grow during the conflict, however, its overall contribution to GDP remained very minor.

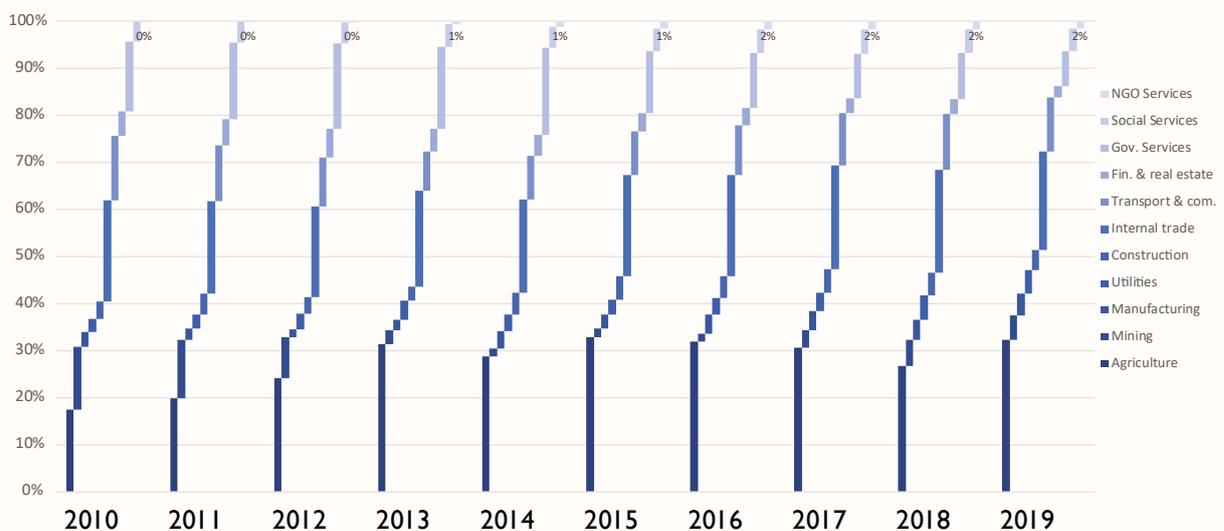
30 per cent of economic growth in 2019 was driven by the agricultural sector due to an exceptionally positive rainy season, followed by a 19 per cent contribution from the manufacturing sector. Meanwhile, the financial, real estate and government services sectors witnessed deep recessions by 22 and 19 percent respectively.

Across all sectors, the agricultural sector accounts for the largest share of GDP at 32 per cent in 2019 (compared to 17.4 per cent in 2010) followed by internal trade at 21 per cent. The transport and communication and government services sectors accounted each for 12 and 7 per cent of total GDP in 2019 respectively (Figure 16). 2019 witnessed an increase in the agriculture sector share of GDP, while the government services sector showed a decrease in its share of GDP.

2.1.1 Agriculture

Throughout the conflict, the agricultural sector has maintained its important role in providing a minimum base for food security and income. The sector became vital for some areas, especially those out of government control, owing to the deterioration of other economic activities. Activities within the agricultural sector have helped maintain the minimum level of living conditions for thousands of Syrian families who are involved directly or indirectly in agriculture. However, the sector has also witnessed depressed and erratic growth. The continuation of armed conflict has been the major negative driver affecting production. The conflict has resulted in the destruction and pillaging of tools and irrigation systems; limited accessibility to land in many regions; driven a shortage of raw materials including fertilizers, seeds, fuel, and labor; and made transportation of agriculture products to markets unsafe.

Figure 16: Sectors' share of GDP during the period (2010-2019)



Source: SCPR estimation, 2019

•• Harvests significantly increased in 2019 relative to previous years. This was driven largely by a near doubling of rainfall compared with 2018. ••

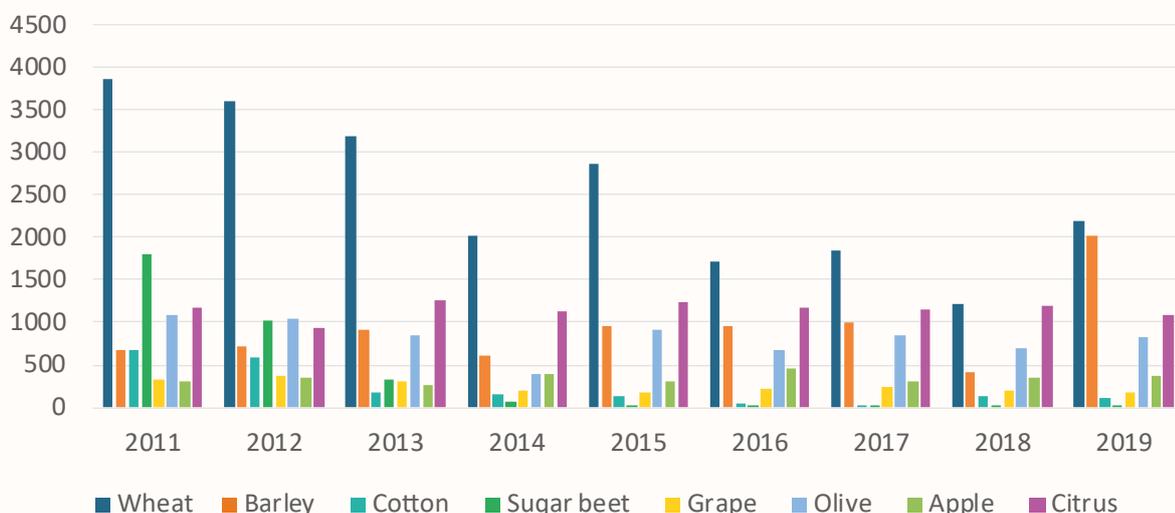
The climate conditions in 2016-2018 deteriorated as the rainfall dropped substantially relative to the national average, according to the Ministry of Agricultural statistical abstracts, affecting water storage in dams and lakes. Given that 70 per cent of Syrian agriculture is rain-fed, this negatively affected agriculture production during the period 2016 and 2018. The amount of irrigated land shrunk over this period due to the reduction of water availability, the increase of the cost of fuel used for wells damage to irrigation networks, and the over reliance on groundwater through informal wells; these factors threatening water security. Furthermore, agricultural land has been contaminated by toxic rubble dust in addition to oil fire pollution, and indirectly by constructing the informal residential and non-residential building on the agricultural land. Whilst the implications for food security are obvious, the conflict is also a serious threat to rare Syrian plant varieties.

Harvests significantly increased in 2019 relative to previous years. This was driven largely by a

near doubling of rainfall compared with 2018. This resulted in a substantial increase in the production of wheat, barley, lentils, chickpeas, potato, and sugar beet. While the value of agricultural GDP increased by 48.7 per cent in 2019; 2019 also experienced widespread fires that burned crops during the harvest season in Al-Hasakeh, Hama, Idleb and As-Sweida. The fires destroyed 2.3 per cent of the wheat harvest (130 thousand hectares) and 3.4 per cent of barely (180 thousand hectares), as well as damaging almost 8 thousand hectares of forests⁷.

The agricultural sector has also been affected by the scarcity of, and thus increasing cost of, inputs. The provision of improved seeds by public institutions has dropped since 2016, covering only 10.7 per cent of the need for wheat and less than 3 per cent for barley, cotton and potato⁸. Only 10.8 per cent of farmers' fertilizer needs were met by institutions. The price of fertilizers has increased substantially between 2016-2019, and in March 2020 the prices increased by more

Figure 17: Plant production (thousand tons) (2011-2019)



Source: Ministry of Agriculture and SCPR estimations, 2019

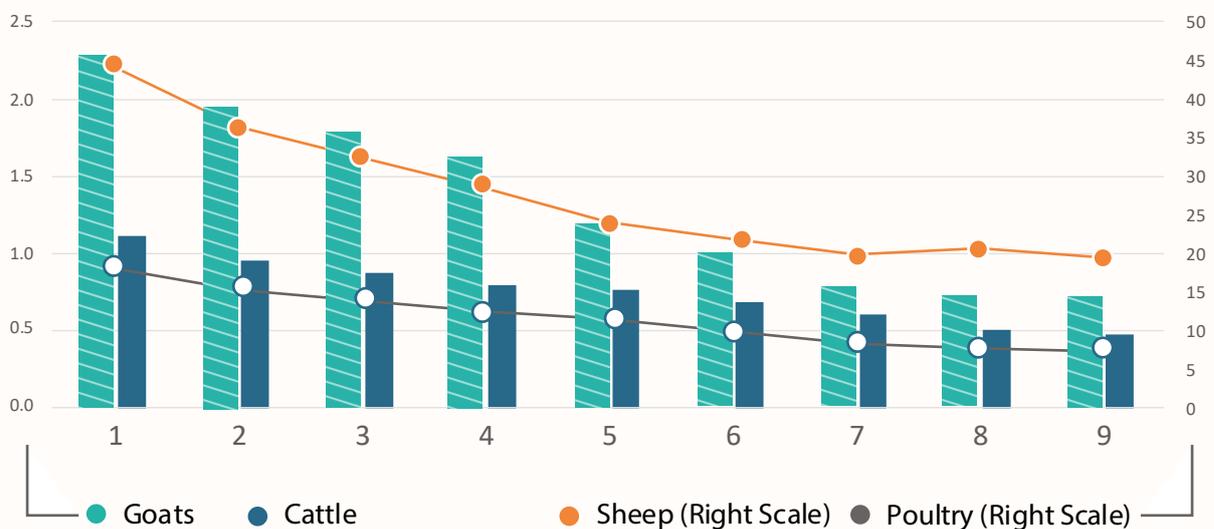
than 100 per cent⁹. Moreover, the increase of diesel prices reached SYP 350 per liter in the informal market compared to the subsidized price SYP 185, contributing to the increases in production costs. Lastly, affordability has been severely impacted by exchange rate fluctuations. Between 2018 and early 2020, the exchange rate has depreciated significantly, raising the prices of the agriculture inputs and commodities.

Agricultural GDP for livestock contracted substantially by 12 and 13 per cent in 2016 and 2017, respectively. It continues to decline, although at a slower rate by 6 and 4 per cent in 2018 and 2019. Figure 18 shows a drop in sheep numbers from 18 million in 2010 to around 7 million in 2019; whilst cattle numbers have decreased by half and goats by a third (SCPR, 2019). The loss of the animal stock is a large loss of wealth in Syria and will take time to recover. This has coincided with the war against ISIS, and the major battles in Aleppo and Idleb, rural Hama, Daraa, Rural Damascus, Afrin, and Al-Hasakeh. Whilst animal production has started to stabilize in 2019 but still faces major challenges including

smuggling, scarcity and cost of animal feed and other inputs, the destruction of supportive business and infrastructure and the depressed purchasing power of households.

The conflict economy in the agriculture sector has evolved in different ways. It has caused a loss of human capital and destruction of the environment, infrastructure, equipment, and animal stock through targeting communities, firms, agricultural land and sources of water. SCPR estimates, based on Population Status survey 2014 and its update, that on average 16 per cent of the irrigation infrastructure was destroyed or pillaged. Looting and hoarding of products have been widely used by different armed actors to further their control and undermine opposing forces. Armed actors have also besieged areas that have prevented people from accessing land, intermediary goods and markets. Furthermore, restrictions and arbitrary fees on the production and movement of goods, animals, and services have all negatively affected the sector. Finally, key warring parties have competed to buy strategic crops including wheat

Figure 18: Animal stock (in millions) (2011-2019)



Source: Ministry of Agriculture and SCPR estimation, 2019

“ The need for oil rent streams by the competing actors has been a key driver of the conflict. ”

from farmers with subsidized prices to be able to provide for the local bread needs.

Humanitarian support to farmers and their communities has slightly mitigated the burden; it has however also increased the dependency on aid and created unfair competition between the local production and the imported agricultural and food products. Given the scale of the conflict and access issues, humanitarian support to the agriculture sector through small loans or technical assistance has been insufficient. The assistance lacked strategic vision in the integration of key elements of recovery and sustainable production namely, infrastructure, human capital, governance.

2.1.2 Mining

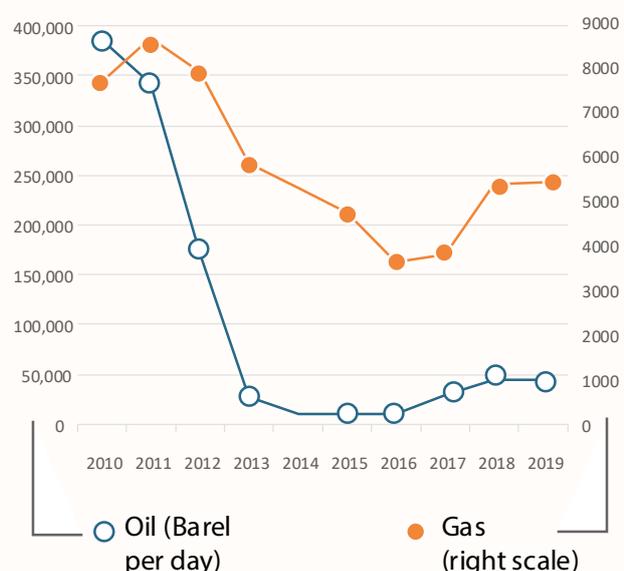
Before the conflict, exports from the mining sector were the main source of hard currency and revenue for the public budget. As can be seen in Figure 19, oil production has experienced a significant decline since the conflict began. The first major shock to the sector was with the withdrawal of the foreign companies following sanctions imposed on the sector in 2012. This led to a drop in oil production from 386 thousand barrels per day to around 170 thousand in 2012. The aggravation of the armed conflict and the absence of security led to the second shock, a decrease in production, which reached a low of around 17 thousand barrels per day in the last quarter of 2013. The third shock relates to the use of raw commodities as a capital for armed actors who controlled extraction and refinement sites.

The need for revenue streams by the competing actors has been a key driver of the conflict. Government-controlled oil production stood at 10 thousand barrels per day between 2014 and 2016. It has since increased rapidly to 29, 43 and 44 thousand barrels per day in 2017, 2018 and 2019 respectively. This significant increase were associated with trading oil with AA areas and the ousting of ISIS from key locations. It is worth

noting that ISIS oil production increased from 40 thousand barrels per day in 2014 to 57 thousand in 2015, and then decreased to 28 thousand in 2016, before ceasing completely by the end of 2017 (based on SCPR estimations).

The Autonomous Administration (AA) has also been reliant on oil for revenue produced from the oil wells in the Eastern region. Around 28 thousand barrels per day were extracted from 2015 to 2017 which increased to around 45 thousand barrels per day in 2019 after control was of the main oil wells in Deir-ezzor was solidified (based on SCPR estimations). Oil has been a major source of revenue for the AA, with part of this revenue being used to provide people with minimum goods and services. Part of the oil produced by the AA is informally traded with the government-controlled and opposition-controlled areas. The remainder has supplied crude refineries in the Eastern region that are responsible for significant pollution and produced unsafe fuel derivatives which are distributed across the country through conflict economy mechanisms.

Figure 19: Oil and gas production (2010-2019)



Source: Ministry of Petroleum and SCPR estimation, 2019

Gas production which has become vital for electricity generation has declined from 7.6 billion cubic meters in 2010 to 4.7 billion in 2015, to 3.6 billion in 2016. Production slightly increased to 3.8 billion in 2017 and increased significantly after the capture of formerly-ISIS controlled territories to 5.3 and 5.4 billion in 2018 and 2019 respectively (Figure 19). Wasted gas production in non-government-controlled area was estimated to be 300 million cubic meters in 2013, 550 million in 2014, and around 660 million in 2015-2019. It is worth noting that in addition to the dramatic decrease in production, the high-valued infrastructure of the mining sector has been destroyed or looted.

In 2016, the mining GDP contracted by 16 per cent, however, after territory was reclaimed from ISIS in 2017 it grew exceptionally by 120 per cent. It continued to grow by 49 per cent in 2018 and by 2 per cent in 2019.

Between 2016-2019 a high number of contracts have been signed by the government with Iranian and Russian companies to invest in exploring and rehabilitate the mining industry, including gas exploration on the coast, and the extraction and exporting phosphate. This awarding of lucrative contracts to actors associated with supporting the conflict is a clear example of the current injustice, but also speaks to the lasting injustice that will propagate into the future.

2.1.3 Utilities

The utility sector has been severely affected by the destruction of electricity and water infrastructure. Electricity production dropped from 18.7 billion KWH in 2015 to 17.6 in 2016. It has since increased to 20.3 in 2017, and 27.8 in 2019. The increases since 2017 mean that utility sector GDP grew by 15, 32, and 2 percent in 2017, 2018, and 2019 respectively. This is mainly due to the availability of more sources of gas and oil especially for power stations in the south and the maintenance and repair of parts

of the infrastructure. In 2018 and 2019, multiple contracts have been awarded to Iranian, Russian and Chinese companies to rehabilitate power stations. It is worth mentioning that the exchange of electricity and gas between fighting actors highlights the nature of conflict economy with electricity and water supply being both sources of conflict and revenue and as weapons of war.

The government doubled the price of electricity in 2016 and increased it for the business firms in 2017, which has negatively affected production costs and cost of living for households. In late 2019 and early 2020, blackouts increased substantially due to the high consumption of energy of the fertilizer factory run by Russia company.¹⁰ In the opposition-controlled areas, mainly in northern Aleppo, a Turkish company provide electricity to the consumers.

2.1.4 Manufacturing

The manufacturing sector was already suffering prior to the conflict from a poor business environment and was impaired by trade agreements, such as with Turkey, which created unfair conditions for competition. The public sector has gradually withdrawn from manufacturing activities since the early 1990s, while in the first decade of the millennium the government started to hand some manufacturing State Owned Enterprises (SOE) such as cement factories to the private sector.

Whilst the manufacturing sector was struggling before 2011, the conflict has caused a significant

•• Electricity production dropped from 18.7 billion KWH in 2015 to 17.6 in 2016. It has since increased to 20.3 in 2017, and 27.8 in 2019. ••

contraction through the widespread destruction and looting of firms, industrial equipment, and infrastructure.

After the substantial collapse of the manufacturing production during 2011-2015, the sector grew by 18.9 per cent in 2016, followed by 3 and 1 per cent growths in 2017 and 2018. The growth of manufacturing has since increased to 19 per cent in 2019. The private manufacturing GDP increase of 10 per cent in 2019 was driven by an increase in production by private and public firms (except refineries). Between 2016 and 2019, public refineries witnessed a decrease of the production owing to restrictions on the sale of (and thus imports of) crude oil. The resulting shortages of oil derivatives have created a substantial bottleneck throughout the industry.

An enormous number of firms have closed or gone bankrupt, forcing both entrepreneurs and skilled workers to migrate and reallocate their businesses and expertise overseas. The effect has also been felt by small firms, with only 30 per cent of the total handicraft firms that worked in 2010 still operating in 2017. These firms, including the handmade textile 'Al-Aghabani', yogurt processing, and traditional soap 'Ghar', represent some of the intangible cultural and historical capital of Syria which have lost skilled labor and market networks.

•• An enormous number of firms have closed or gone bankrupt, forcing both entrepreneurs and skilled workers to migrate and reallocate their businesses and expertise overseas. ••

Intense fighting between 2016-2019, namely the battles of Aleppo, Rural Damascus, Daraa, Idleb, Ar-Raqqa and Deir-ezzor led to the destruction of infrastructure and manufacturing firms and a huge loss in the capital stock in industry. Other regions, however, have witnessed better security conditions. The government has attempted to provide incentives to this sector such as the exemption from customs on imports of production equipment, tax breaks for damaged firms and allowing the banking system to provide loans to the manufacturing firms, albeit with difficult conditionalities attached. The government has also allocated resources to the rehabilitation of industrial zones such as Adraa and Alsheck Najjar, and the creation of new zones in secured areas have helped to improve manufacturing and production. The industrial activities in Aleppo, rural Damascus, and Homs started to expand in 2017. However, the lack of regular energy supply and damaged infrastructure in conjunction with the reduction in purchase power parity of households led to a recession in 2018.

Attempts to assist and re-invigorate the manufacturing sector were hindered by several issues. First, the government continues to liberalize the prices of oil derivatives and electricity, and to reduce "subsidies". This has increased the cost of production at a time of reduced real spending, thus resulting in a reduction of local demand. Second, the sector has been directly affected by the destruction and looting of infrastructure and capital. Smuggling, royalties, and ad hoc fees on the different stages of the value chains have also harmed production. Third, with the lack of rule of law and absence of accountability, many legislations, contracts, and projects have benefited the new crony capitalists and war elite who are contributing to injustice and mismanage firms and resources. Successful business people with connections and the means to do so have left Syria. The acquisition or allocation of pre-existing major factories

and firms as spoils of war has been especially visible in the engineering industry. The new elite is transnational, which is as a testament to the influence of external actors in the conflict, mainly Russia, Iran, and China. A Russian company, for instance, was recently contracted to invest in public fertilizer factories for 40 years for a modest sum of USD 200 million.¹¹ Finally, the lack of consistent energy supply, the volatility of exchange rate, closed borders and embargos, and the drop of local demand has been key in hindering the manufacturing production.

2.1.5 Construction

In the construction sector, the production and importation of cement are used as a proxy measure of GDP for the sector. The GDP of the sector contracted by 17.3 per cent in 2016, grew by 7.9 per cent in 2017 and contracted again in 2018 and 2019 by 3.4 and 5.7 per cent respectively. In this regard, the price of cement has increased substantially to almost five times in 2010, whilst the iron is approximately 8 times higher¹². Overall, the security situation, the cost of building, the drop of private and public investment and the destruction of the means of production continue to harm construction efforts.

2.1.6 TRANSPORTATION

The transportation sector (land, rail, air and sea transport) has been negatively affected by the conflict. Infrastructure, notably roads, bridges, airports and railways have been heavily damaged. Both public and private transportation equipment have been destroyed or looted, and parts of the transportation infrastructure have been reallocated to facilitate military operations. In total, an estimated 30 per cent of transportation infrastructure has been damaged, according to the Population Status survey 2014 and its update in 2019.

The cost of transportation has surged owing to the lack of security, the increase in the average

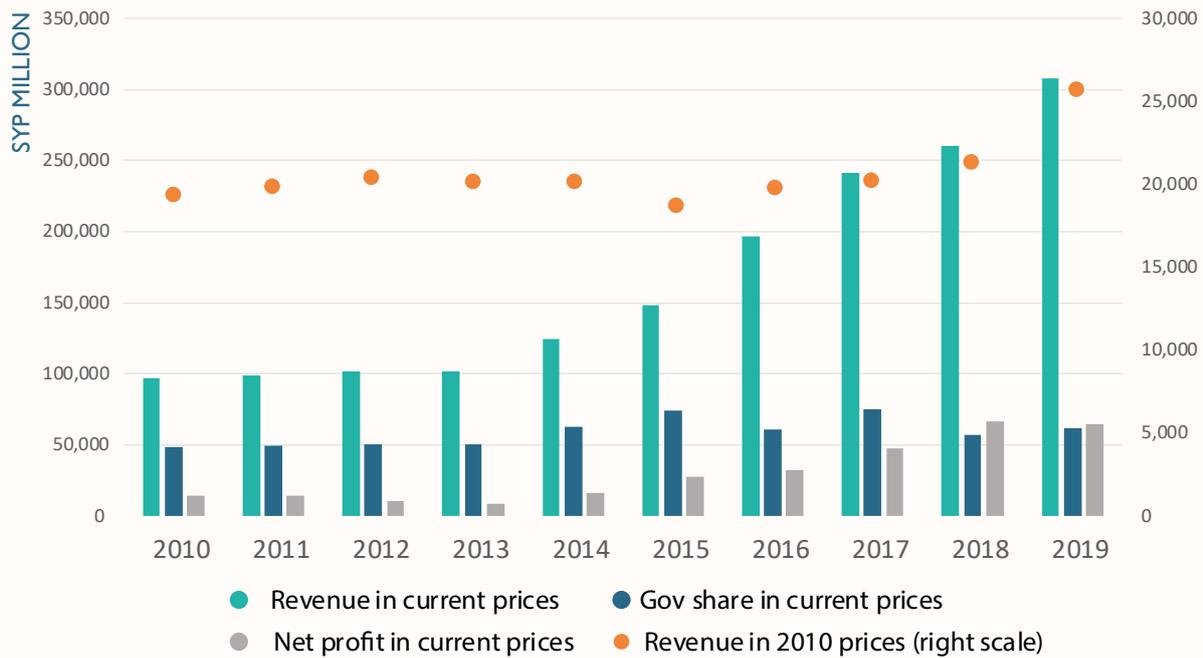
fuel price, damaged infrastructure, reduced supply of services, and royalties. Recently, transportation conditions have improved as some main routes have re-opened between the Southern, Coastal, Northern and partially the Eastern regions. This was reflected in 2019, when the transportation sector GDP grew by 6.2 per cent comparing to 2018. The growth was composed primarily of improvements in land transportation, but also air and rail to a lesser extent.

Despite improvements, safe and secure transport is not yet available across the entire country, as fragmentation between different warring actors continues to prevent much of the movement of people and goods both within Syria and to/from neighboring countries. Ports, in particular, have witnessed the hegemony of external actors, exemplified by the recent award of a large contract to a Russian company to invest Tartous port for 49 years.

2.1.7 Communications

The communications sector witnessed an annual growth of 10.3 and 10.5 in 2017 and 2018 before falling by 4.3 per cent in 2019. The private sector monopolizes that mobile phone sector and the revenue from this sector has increased significantly during the conflict, even in real terms (Figure 20). Both mobile companies have benefited from new legislations that changed the Build Operate Transfer (BOT) contracts to licensing these private companies instead of transforming the ownership to the public sector as per the original contract. This has accompanied with a reduction in the government share of the revenue from mobile companies from 50 per cent to 20 per cent. It is worth mentioning that the government gave a third license to an Iranian company, but the implementation has not yet started on this. Private sector returns in this sector reflects the increasing gap between wages and profit, and the increased income inequality during the conflict.

Figure 20: The revenue of mobile phone companies in current and 2010 prices (2010-2019)



Source: Syriatel and MTN fiscal statements, and SCPR calculation, 2017

2.1.8 Finance and Real Estate

The financial and real estate sectors have witnessed a significant decrease in the GDP which has contracted by 15.8 per cent and 14.6 per cent in 2016 and 2017 respectively. In 2018 the sector contracted slightly by 0.5 per cent, and in 2019 it contracted sharply by 21.8 per cent. The banking system suffered from the lack of security and witnessed a reduction in deposits and credit due the deterioration in investment, an unsecure business environment, and a surge in inflation. Banks, however, have benefited from the deprecation of the exchange rate and from the bankruptcy of many businesses which gave the banks the right to confiscate loans guarantees and assets such as land or buildings.

In terms of real estate, the conflict has resulted in a significant transfer of ownership of land, housing and commercial building to the

subjugating powers. Many people have chosen or been forced to sell properties at low prices or abandon them, whilst others have had property seized and others still or lost their properties' documents. This forced redistribution of assets will continue to propagate injustice into the future in the absence of post-conflict impartial arbitration.

•• The private sector monopolizes that mobile phone sector and the revenue from this sector has increased significantly during the conflict, even in real terms. ••

2.1.9 Internal trade

The internal trade sector was the largest sector in the Syrian economy before the conflict, accounting for 21 per cent of GDP in 2010. It was dominated by the informal sector, in form of SMEs with low wages and low productivity relative to other sectors. The sector has traditionally played an important role in absorbing part of the labor force that left the rural agriculture sector and migrated to peripheries in cities.

The conflict caused huge damage to, and the closure of, many commercial outlets especially in Aleppo, Ar-Raqqa, Deir-ezzor, Idleb and Daraa during 2016-2018. The sector has been negatively affected by the decreased availability of domestic commodities and inputs; the difficulties and restrictions to importing, transporting or exporting; and policies such as the price liberalization of some basic goods. Moreover, the conflict economy routes across the regions which have benefited conflict networks have severely impacted the sector. These routes between regions are well documented as is the process of extortion at checkpoints. Besieged or hard-to-reach areas witnessed a dramatic surge in the trade margin as it is part of means to defeat the “enemy” and exploit spoils. Other factors that have impacted the internal trade sector include the increase of costs due to the exchange rate depreciation and volatility, and the surge in domestic energy prices, as well as labor shortages, loss of capital and infrastructure damage. Overall, the sector GDP contracted by 3.2 per cent in 2018 and grew by 3.6 per cent in 2019. The relative decrease of military operations in 2019 and the expansion of secured areas and routes can explain recent improvements.

It is worth mentioning that the role of trade public establishment has expanded since the government opened retail outlets to sell the basic commodities at subsidized prices. A similar policy adopted by the AA to provide key goods at low prices compared to market prices.

2.1.10 Government and Social services

With regard to government services, the government continues to pay salaries for public sector employees regardless of the drop in the real wages. The conflict and recruitment of high numbers of military service personnel have shifted much of the government expenditure towards conflict-related activities. The surge in prices has caused a substantial contraction of government services GDP by 23.1 per cent in 2016 and by 15.5 per cent in 2017. In 2018 it slightly grew by 0.6 per cent before sharply contracting in 2019 by 18.9 per cent as inflation surged. Government policies have contributed to increasing prices and deteriorated the real value of government services including wages, goods and services.

Public capital assets have been severely damaged as public buildings and equipment have been looted or destroyed and used for conflict related activities. By 2015 around 39 per cent of public institutions was damaged or lay idle. This deterioration has continued in Aleppo, Ar-Raqqa, and Deir-ezzor, Daraa and Idleb due to the intensified fighting in 2016-2019.

In the social services sector, many regions have suffered from lack of education and health services which ranged from absolute deprivation within besieged zones to poor services in other areas. While humanitarian support has played an

“ Public capital assets have been severely damaged as public buildings and equipment have been looted or destroyed and used for conflict related activities.”

important role in maintaining services, the needs have outweighed interventions. Services have also been affected by the drop in real income of households. Overall, the sector has dropped by 3.2 per cent in 2018, but it grew by 3.6 per cent in 2019.

2.1.11 NGO services

The NGO services sector continues to increase in line with the surge of humanitarian needs and the lack of appropriate institutions to support local communities and IDPs. This has created a substantial expansion in the NGO sector which has replaced the role of state in some areas and become an important employer for young people. Furthermore, the change in conflict actors' in 2017-2019 led to the dismantling of many NGOs and civil initiatives in these areas. Overall, the continuation of armed conflict and the aggravation of oppression and fanaticism have limited the growth of this sector and continued to shrink the public spaces.

2.2 PRO-CONFLICT DEMAND

Pro-conflict policies continue to be issued in Syria as various actors build incentive systems that reward their loyalists and punish their opponents. These policies have transformed the demand structure of the economy. First, the public and private wealth and capital stocks have been destroyed or damaged, which has diminished sources of income. Secondly, job opportunities in the traditional and non-violence

•• The Government of Syria (GOS) has continued its policies of liberalizing prices of the subsidized essential goods to reduce the financial burden on the budget. ••

sectors have reduced dramatically. Thirdly, forced displacement has led to waves of refugees who have left the country, and a huge amount of IDPs. This has created abandoned towns and overcrowded cities and camps. Fourthly, conflict related policies have deprived communities and forced many people to be either engaged in the conflict or to depend on humanitarian assistance from remittances, the UN, and/or civil society institutions. Fifthly, the conflict elite has abused resources for their own benefits at the expense of ordinary people. Finally, the implementation of neoliberal policies has worsened the conflict impact by increasing the cost of living and reducing effective demand.

The Government of Syria (GOS) has continued its policies of liberalizing prices of the subsidized essential goods to reduce the financial burden on the budget. Moreover, public investment has declined substantially, shifting to cover military expenditure. These policies have harmed the real demand of the economy, accelerated economic recession, created a surge in prices, and resulted in a greater devaluation of the Syrian pound. These policies have also increased the cost of domestic production which is already struggling due to the armed conflict. Together, these have resulted in a high burden on all of Syria, but particularly the most vulnerable, aggravating economic injustice between and within communities.

The scale of the conflict in Syria is such that the conflict economy depends substantially on the financial support from abroad. These resources, in addition to the abuse, theft and smuggling of local resources, have sustained the conflict and maintained its foundations.

This report highlights three types of demand; the first is private expenditure of households, the second is public expenditure of government, and the third is the expenditure of the de facto powers in the out of government-controlled regions. The third type of demand is neither private

nor public expenditure per se, and part of this expenditure is allocated to military expenditure and the other part to services. Thus, the report describes this type of demand as a “semi-public” expenditure. Furthermore, the overall projection of expenditure on military aspects is considered as consumption; and it reflects the reallocation of resources to sustain the conflict.

2.2.1 Consumption

While private consumption contracted by 7 per cent in 2018, it grew in 2019 by 13 per cent with an improvement of some sectors (especially agriculture), and with the contribution of the humanitarian expenditure that was injected in the economy. Private consumption in 2019 stands at 43 per cent of pre-conflict private consumption figure of 2010. It is worth mentioning that average household expenditure continues to be at an unacceptable level, as around 86 per cent of the population are below the overall poverty line. This average consumption figure hides enormous inequalities between regions, within regions and between actors.

National economic policies have aggravated inequity and injustice by reducing subsidies for fuel and basic goods. This has had knock on effects of increased prices on almost all products and has disproportionately harmed the most vulnerable people. The reduction of subsidies is a key policy in the reallocation of resources, enriching the conflict elite and driving inequality.

Public consumption witnessed a slight increase of 1.5 per cent in 2018 and contracted sharply by 15.6 per cent in 2019. Public consumption also captures the increase in military expenditure during the conflict and off-budget subsidies. Thus, as a share of GDP, public expenditure surged from 26.2 per cent in 2010 to 32.5 per cent in 2015 as a result of increased military expenditure by the GoS. The figure has declined to 24.3 per cent in 2019 (Figure 21). Whilst military spending has increased, public sector

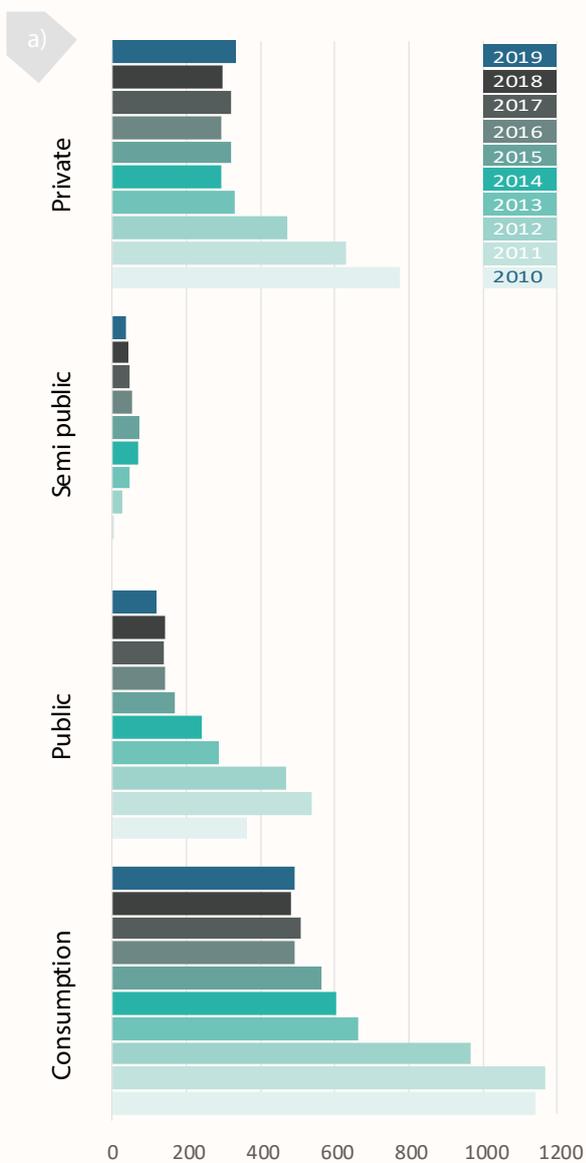
real wages have dropped. Price increases driven by subsidy rationalization policies have created inflationary pressures, and thus contributed to the deterioration of the currency exchange rates which has further affected the economy.

As in the previous report in this series, ‘semi-public’ consumption is defined as a new expenditure category in the Syrian economy which is neither explicitly public nor private. This consumption function in regions out of government control and is instead controlled by different de facto actors who seized power there. These actors play assume public authority by imposing royalties and taxes, in addition to reallocating resources and external support according to their needs. It is important to distinguish this expenditure from the public expenditure which was concentrated mostly in the government-controlled regions.

Semi-public consumption has contracted substantially by 9.6 per cent in 2018 and by 13.6 per cent in 2019. It is important to note that the estimation of semi-public consumption also includes military expenditure. The share of semi-public consumption as a proportion of the country’s total GDP declined from 13.9 per cent of GDP in 2015 to 9.5 per cent and 7.6 per cent in 2018 and 2019 respectively (Figure 21). The reduction reflects the shrinking of territories under non-Government control between 2016-2019, especially opposition and ISIS controlled areas. Simultaneously the area under AA control has expanded. This semi-public expenditure is a reflection of the different actors building

•• Public consumption witnessed a slight increase of 1.5 per cent in 2018 and contracted sharply by 15.6 per cent in 2019. ••

Figure 21: (a) Consumption GDP by its components in constant prices 2000 (SYP billion); (b) Consumption GDP 2010 and accumulated loss until 2019 in constant prices 2000 (SYP billions)



Source: SCPR estimations 2019

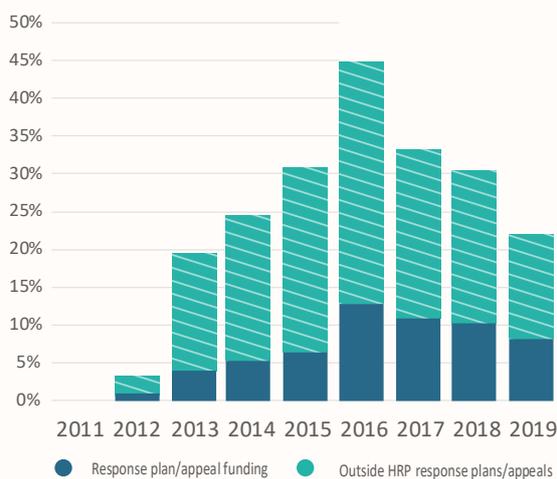
their own economic institutions and policies which has enforced the fragmentation status disparities and inequalities across regions and communities. As with public consumption, the



semi-public consumption has been used as a tool to consolidate wealth and maintain power during the conflict.

During the conflict a substantial part of the economic demand in Syria has become dependent on humanitarian support, which has influenced the economy and living conditions in different ways. The Humanitarian Response Plan (HRP) for Syria allocated around USD 11 billion for the 2012-2019 plan while the humanitarian support out of HRP plan reached USD 29 billion for the period 2012-2019 (OCHA, 2019). Figure 22 illustrates that humanitarian expenditure accounted for 30 per cent and 22 per cent of the total GDP in 2018 and 2019 respectively. This highlights the dangerous overreliance of the Syrian economy on humanitarian assistance, and thus the potential catastrophic economic consequences if there were to be a substantial drop in the support.

Figure 22: Humanitarian funding as a percentage of GDP in Syria (2011-2019)



Source: OCHA: 2019

In this context, the lack of accountability and transparency in payments made outside of the United Nations (UN) donation system is one of the main challenges, owing to the risk that these funds could be sustaining the conflict and/or increase social fragmentation.

2.2.2 Investment

The investment climate in Syria continues to deteriorate because the armed conflict destroyed the foundations of a competitive economy. The violent and coercive mechanisms determine the rules of the market and state institutions. This new business environment has shifted economic resources towards violence and profit-seeking activities, creating a new conflict-related elite that has taken advantage of the situation. This elite has built transnational business networks that create wealth from conflict-related activities including weapon trading and human trafficking. Small business owners and the self-employed who did not leave the country have continued to work, but suffer from an unjust business environment, lack of rule of law, destroyed infrastructure, lack of skilled workers and diminishing demand.

The conflict business model in Syria is a haven for economic injustice, witness to destruction and looting, a breakdown of the rule of law in addition to monopolizing public and private properties, resources, human capital, relations, and institutions. The outcome of this business model is not just a forced reallocation of the accumulated tangible and intangible wealth of Syria, but also lays the foundations for future injustice and conflict. The foundations of this conflict economy are institutionalizing the injustice that will hinder Syria's efforts towards stabilization and sustainable economy.

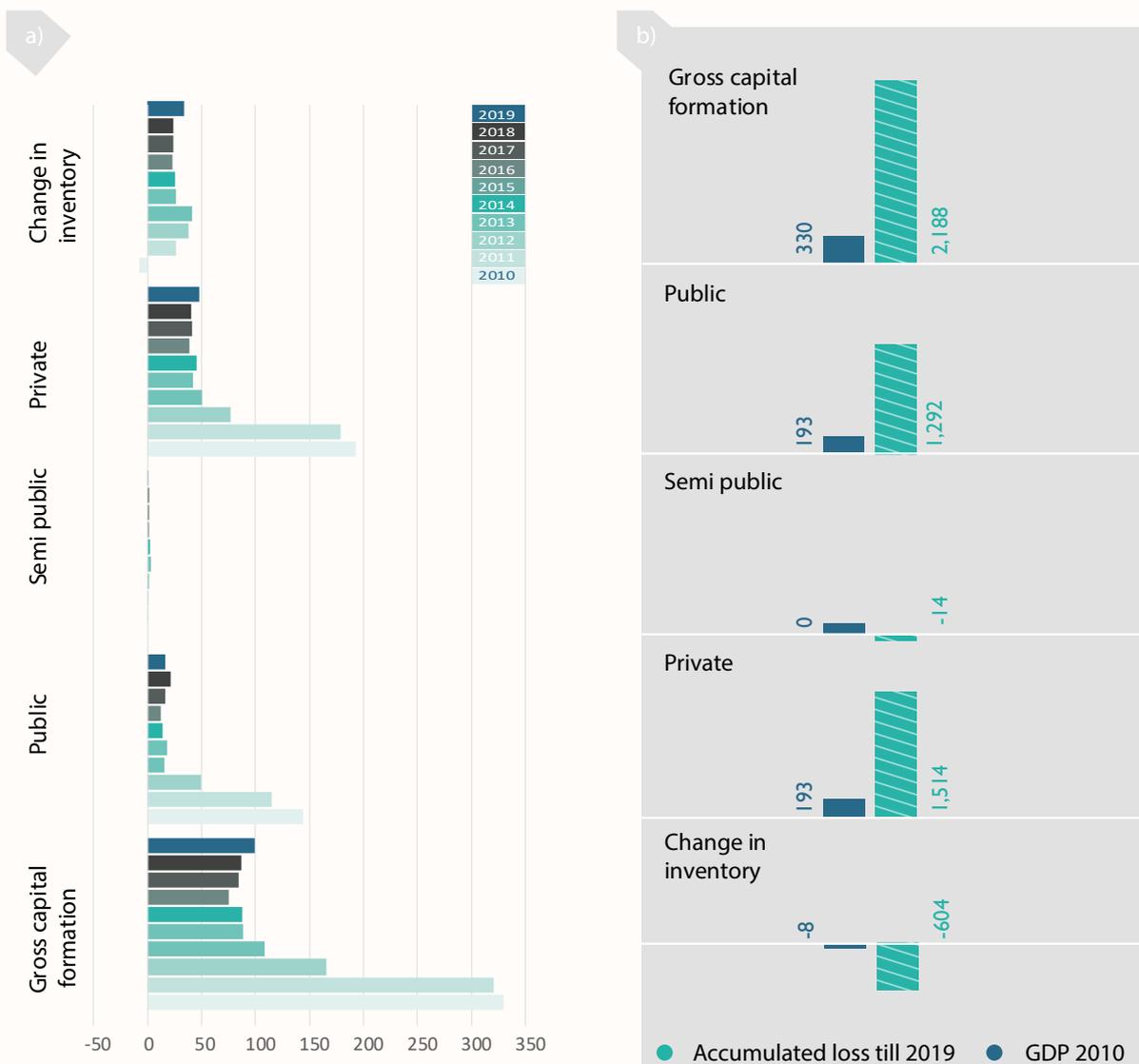
In terms of public investment, expenditure in Syria has declined due to the prioritization of conflict-related activities, and the issuing of ad hoc neoliberal economic policies. In 2016, public investment contracted by 14 per cent but has since started to grow, by 39 and 29 per cent in 2017 and 2018 respectively. Public investment contracted in 2019 due to high inflation rates. The government does have an allocated budget for recovery investment for newly accessed areas, which aims to provide minimum services and utility, however, the pot of funds is small. The

government has also signed many contracts with domestic and external partners, mainly from Russia and Iran, as part of the reconstruction and rehabilitation into different economic sectors. Many of these contracts have, however, been negotiated as bargaining chips, and during sub-optimal economic times. As such, it is unlikely these will be favorable for Syria in the long

term. Furthermore, starting investment without addressing the foundations of the conflict, the influence of the new elite, and the huge injustice cannot lead to inclusive and just recovery.

The de facto actors in the non-government-controlled regions have implemented some investment projects to maintain some basic

Figure 23: (a) Investment GDP by its components in constant prices 2000 (SYP billion); (b) Investment GDP 2010 and accumulated loss until 2019 in constant prices 2000 (SYP billion)



Source: SCPR estimations 2017

services. This 'semi-public' investment shrank by 13 per cent in 2018 and by 35 per cent in 2019. Because investment is not the priority within unstable and unsafe environments, these regions become have become more deprived in terms of semipublic investment and service provision.

Private investment GDP grew by 6 per cent in 2017, contracted by 3 per cent in 2018, and grew substantially in 2019 by 19.8 per cent (Figure 23). During 2018-2019, although the military operations relatively declined, key indicators of economic competitiveness deteriorated owing to the absence of rule of law, poor transparency, complicated procedures, increasing cost and diminishing demand, hegemony of conflict elite, lack of skilled labor, unstable macroeconomic environment, lack of credit, poor infrastructure and lack of safe domestic and cross-borders transport. However, 2018-2019 witnessed better security environment in some areas, which created more opportunities for the investors to start SMEs.

The government has started recently in planning for reconstruction; and has issued laws and decrees including multiple tax exemptions and the public private partnership Law No 5 in 2015 and Decree No 19 in 2015 which allow municipalities' councils to establish holding companies under the private investment law. A number of government ministries have also started to announce private investment projects including the Ministry of Tourism, whilst others have already signed external contracts relating to oil, electricity and industry. Given that the conflict is still on-going and there is no clear exit strategy, the current policies will continue to produce low productivity, crowd out productive workers, and aggravate injustice. The same policies which created inequality and were a core root of the conflict are being repeated, empowering the conflict elite and inhibiting institutional change that will likely be the source of future instability.

Combined public and private investment in 2019

formed just 13.2 per cent of the GDP, which is below the normal annual depreciation rate of capital stock, resulting in negative net investment in 2019. Taking into account the destruction and deterioration of capital stock due to the conflict, the negative net investment reached unforeseen levels during the conflict.

2.3 EXTERNAL DEPENDENCY AND TRADE DEFICIT

Syria's capacity to engage in international trade has been affected by the conflict, economic policies, and international sanctions and politics. The conflict has had a direct impact on infrastructure, production means, industry and trade. Moreover, sanctions have affected trade by limiting trade financing and accessing inputs and services from abroad. Land crossings, airports and commercial ports have been officially closed, whilst risks and costs of transportation have increased. Smuggling and illegal transactions have emerged to open trade routes and enhance conflict economies.

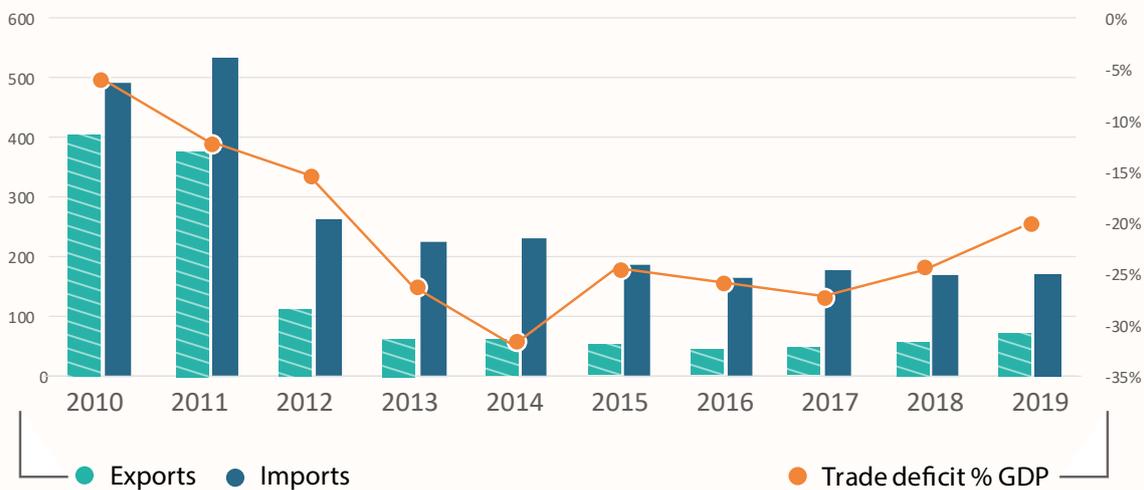
The control of international borders has become a source of income, prestige and power for actors in the conflict, leading to significant violence in these areas. Owing to smuggling and both obscure and overt interventions, control of borders has had huge economic appeal and created fortunes for the conflict elite.

As can be seen in Figure 24, indicators show that exports as a share of GDP have decreased dramatically since the beginning of the conflict, from 29 per cent in 2010 to 10 per cent in 2017, and increased gradually to 14.3 per cent in 2019. Exports contracted by 14.7 per cent in 2016 and began to grow again by 2018 and 2019 at 21.8 and 23 per cent respectively. The import share of GDP increased from 35 per cent in 2010 to 37.5 in 2018 and reduced to 34.5 per cent in 2019. As a result of the growing gulf between imports and exports,

the trade deficit is very large, reaching 32 per cent of GDP in 2014. It has since steadily decreased to 20.2 in 2019.

dependency of the Syrian economy. 24 per cent of total Chinese imports were “electrical machinery and equipment and parts thereof,” (WITS classification) and 23 per cent were textile cloths.

Figure 24: Exports and imports' share of GDP (2011-2019)



Source: Calculated based on WITS and SCPR estimations 2019

This report used World Integrated Trade Solution (WITS) data to assess Syria's trade structure, and by utilizing data from other countries (with some adjustments in the case of non-reporting countries, mainly Iran). By destination, 62 per cent of the Syrian exports in 2018 went to the Middle East and North Africa (MENA) region followed by Europe (EU) and Central Asian Region. Saudi Arabia, Lebanon and Egypt were the top three partners of Syria's exports, accounting for 15, 13 and 12 per cent of total exports respectively. Most exports to these countries were vegetables, textiles and food products. Turkey was the main importer of Syria exports at 23 per cent, followed by Iran at 22 per cent and China at 21 per cent (Figure 25). The main imports from Turkey were also vegetables and food products, while Iran exported energy products to Syria, highlighting the increasing

“ The control of international borders has become a source of income, prestige and power for actors in the conflict, leading to significant violence in these areas.”

Figure 25: (a) Top ten export partners for Syria in 2018

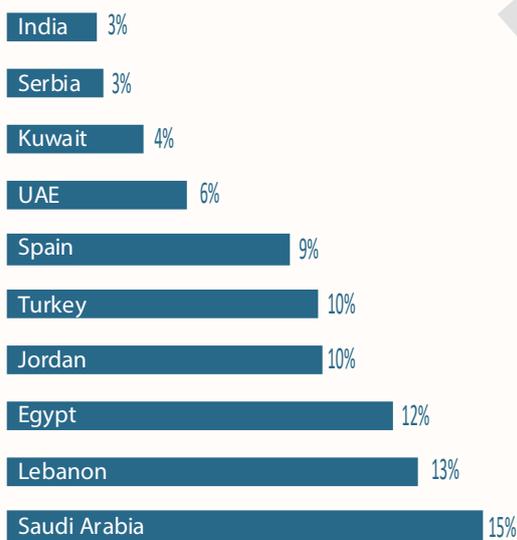
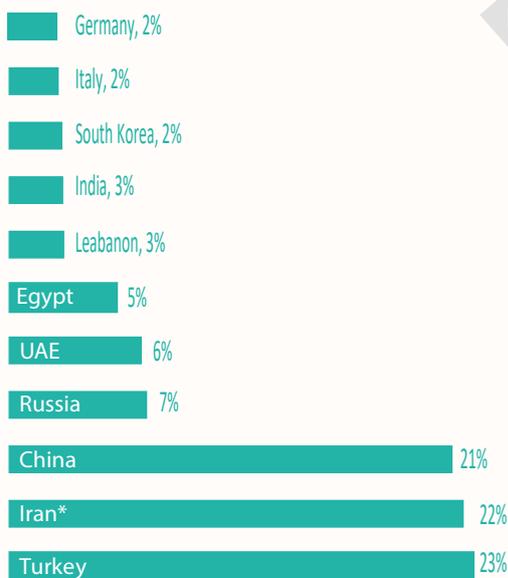


Figure 25: (b) Top ten import partners for Syria in 2018



Source: WITS and SCPR estimation

Exports of animals, vegetables and other food products made up 64 per cent of total exports in 2018. 56 per cent of this was vegetables, which is considered a very high percentage given food

scarcity during wartime. Fuel made up 60 per cent of exports in 2011; yet, it was almost zero per cent in 2018. Animals, vegetables and other food products represented about 25 per cent of total imports in 2018, which was in line with the nature of the conflict to achieve the minimum humanitarian requirements.

Figure 26: (a) Fuel share of imports and exports (2010-2018)

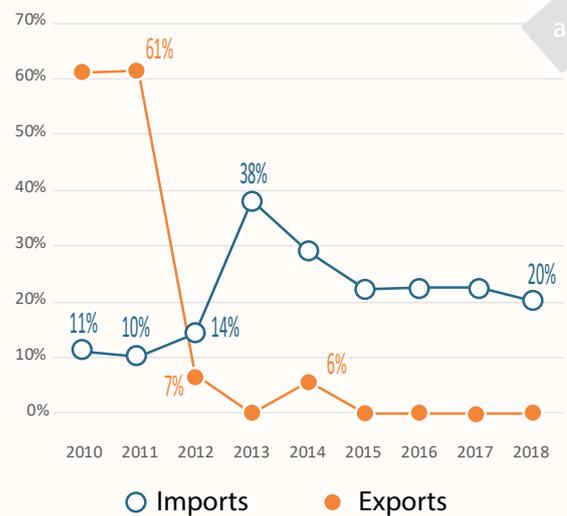
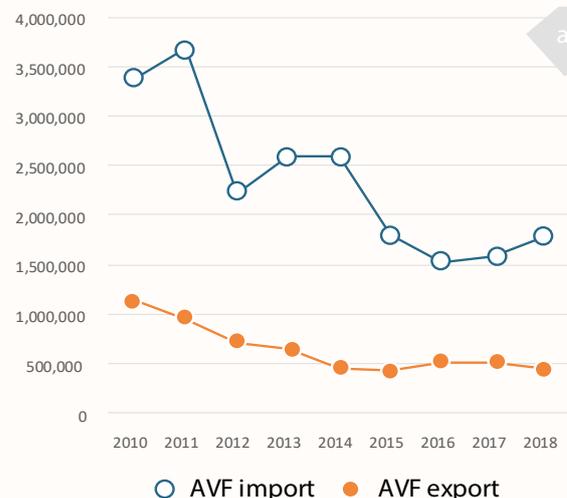


Figure 26: (b) Value of imports and exports of animals, vegetables and food products (2010-2018)



Source: WITS as and SCPR estimations

Figure 27: (a) Imports of animal, vegetable and food product shares of total imports (2010 – 2018)

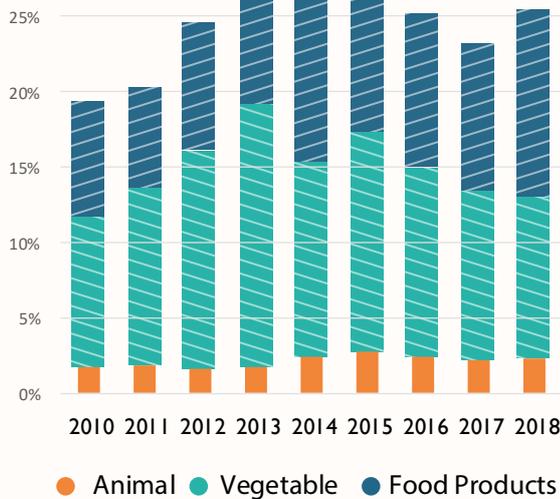
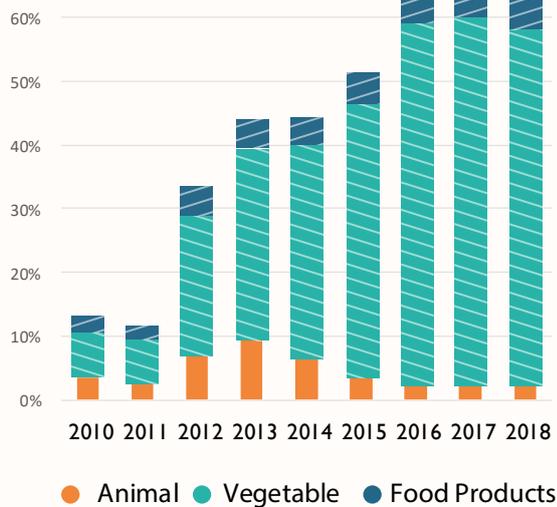


Figure 27: (b) Exports of animal, vegetable and food product shares of total exports (2010 – 2018)



Source: WITS and SCPR estimations, 2019.

In terms of the type of products, the structure of imports and exports has changed. On the export side, the share of intermediate and consumer goods increased at the expense of a decrease in

raw materials. The import share of intermediate goods has increased from 30 per cent in 2010 to 50 per cent in 2016, then decreased to 36 per cent in 2018. The significant change was increasing the shares of energy derivatives and food products. The structure and change seen in imports and exports show that it has driven by people’s needs for food, clothes, and energy. The main exports were vegetables, food products, and textile cloths. Similarly, the main imports were the same products in addition to fuel.

Figure 28: (a) Syria’s import by type of product in 2018

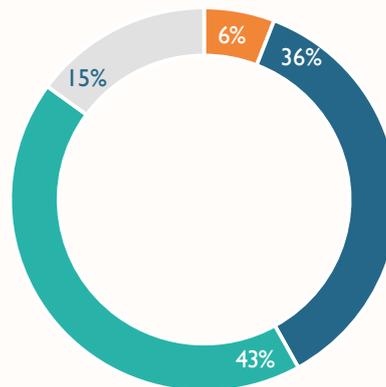
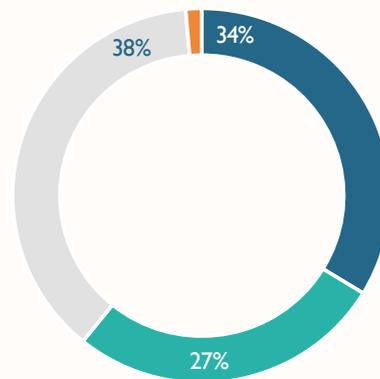


Figure 28: (b) Syria’s export by type of product in 2018



● Raw materials ● Intermediate goods
● Consumer goods ● Capital goods

Source: WITS 2019 and SCPR estimation and calculation

*Iran data 2018, Estimated by SCPR

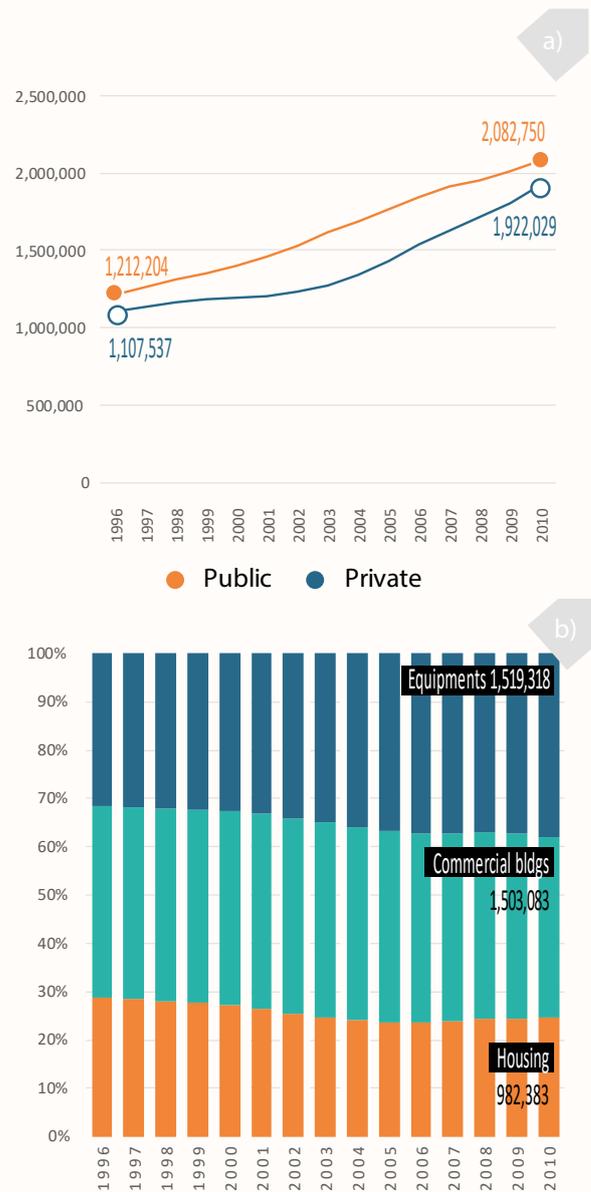
The trade sector has been among the hardest hit in the Syrian conflict which shows the overall deterioration of Syria’s economy as well as the destruction of Syria’s productive capacity. The conflict among other factors, has deindustrialized Syria, reverting it from a relatively diversified economy to a mainly subsistence economy focusing on mainly primary imports and exports. This is attributable not only to the violence and destruction, but also to the division of the country, and increasing predatory and profiteering amongst warring actors.

2.4 CAPITAL STOCK LOSSES

The capital stock is an important indicator for assessing capital accumulation in an economy. Public capital stock encompasses the cumulative public investment concentrated in mining, utilities, social services, irrigation, communication and transportation; while private sector stock encompasses historical investment concentrated in trade, construction, agriculture, financial services, real estate and manufacturing. Before the conflict, capital stock in Syria was estimated based on the net investment during the period 1965-2010 (Annex 2). Figure 29 (below) shows that the capital stock in 2010 reached SYP 4,005 billion (in 2000 prices), equal to 2.89 times the value of GDP that year. Since the 1990s and until the start of the conflict, the share of private capital stock increased in line with increases in private investment, whilst public investment declined due to the economic reforms. At the same time, the structure of capital components (housing, commercial buildings, and equipment and transport means) changed as the share of the equipment increased from 32 per cent to 38 per cent, whilst the share of housing declined from 29 per cent to 25 per cent during the period 1996-2010.

The conflict in Syria has severely damaged economic activities and the accumulated wealth of the country. This report draws upon the Population Status survey, conducted in 2014

Figure 29: (a) Public and private capital stock in Syria in 2000 constant prices (SYP millions);



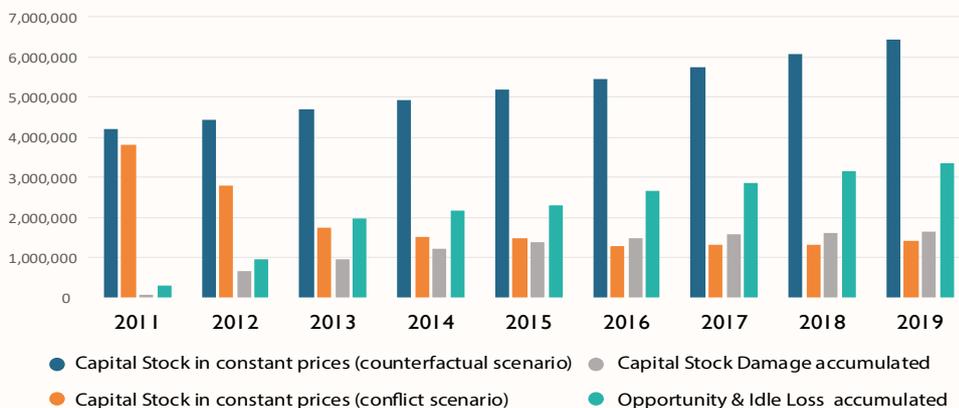
Source: PICC and CBS, SCPR calculations 2017

and estimated capital stock (SCPR, 2019). The survey included detailed questions about damage to infrastructure, buildings, establishments, and factories. This report re-estimates the capital stock at the regional level using the 2014

population survey data. This report estimated capital stock losses based on expert interviews and secondary data, including UNITAR maps of the destruction using remote sensing for Aleppo, Ar-Raqqa, Deir-ezzor and East Ghouta (UNITAR).

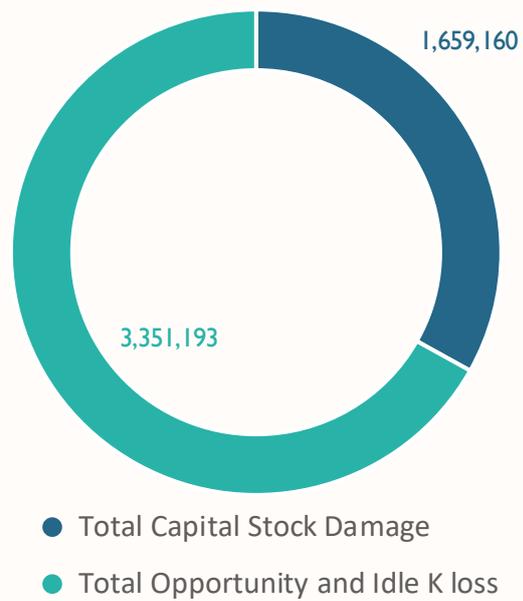
The projected capital stock losses reached USD 196 billion in current prices by the end of 2019. The current physical capital stock in 2019 is equivalent to 21.9 per cent of the value it would be in the absence of the conflict as projected by the counterfactual analysis (Figure 30). This loss consists of two components. First, a reduction in net investment, and idle capital stock as a result of opportunities lost and physical capital ceasing to contribute to production, services and value-added, which is projected at USD 131.5 billion (already accounted for in the estimate of GDP losses). The second is partial or full damage to the capital stock, estimated at USD 64.6 billion due to the damages incurred from the armed conflict that includes ruined public and private properties, equipment and residential and non-residential buildings. This latter component was not included in the estimation of GDP loss, and thus it should be added to the total economic losses.

Figure 30: Capital stock losses by components in Syria (SYP millions) (2011-2019)



Source: SCPR calculations 2019

Figure 31: Structure of Capital Stock Loss (2011-2019)

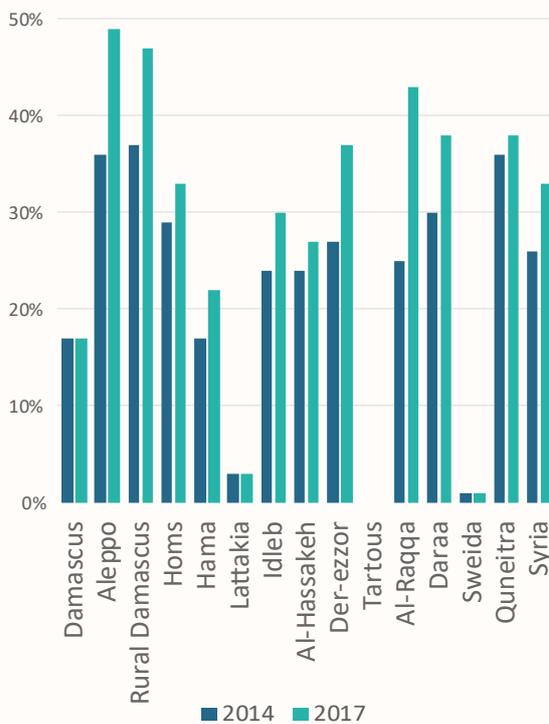


Source: SCPR calculations 2019

One of the major components of damaged capital stock has been the destruction of infrastructure. Figure 32 illustrates the infrastructure damage index by governorate in 2014 based on the population survey and the projections by the SCPR team. The graph illustrates that by 2017, the intensity of the conflict and destruction

which peaked in 2015-2017 (driven by increased violence and use of high explosives) had severely damaged capital stock. In late 2016, the battle of Aleppo caused widescale and severe destruction of the city and industrial zones, similar to what was seen in the battle of Ar-Raqqa and Deir-ezzor and Eastern Ghouta.

Figure 32: Infrastructure damage index by governorate (2014 & 2017)



Source: SCPR calculations

2.5 530 BILLION AND COUNTING

This report has estimated the actual added value of the economic activities across Syria, in both government and non-government-controlled areas. This report then mapped this against counterfactual projections which assume a no-conflict scenario and continuation of pre-conflict trends since 2011. Moreover, the report estimates the loss depending on the quantity

proxies' method to avoid the high fluctuations of prices and foreign exchange rates. It is clear that the Syrian economy has become highly heterogeneous; as different circumstances, institutions, actors, and policies have emerged across the country. However, it is important to sketch the overall picture of the Syrian economy and the current and future challenges that face the redevelopment of Syria.

Total economic loss during the conflict by the end of 2019 is projected to reach USD 530.1 billion compared to the counterfactual scenario, of which the GDP loss during the same period equal to USD 420.9 billion. Furthermore, the report considers the increase in military expenditure across different parties, which constitute part of actual GDP, as a loss to the economy and a reallocation of resources from productive to destructive activities. The increase of the military expenditure of the government is projected at USD 24 billion, and of the military expenditure of the armed groups is projected at USD 13.8 billion during the conflict.

This report also takes into consideration the loss due to damage of capital stock which is estimated at USD 64.6 billion by the end of 2019. Furthermore, the informal use of oil and gas resources has been considered as a loss to the country wealth as it became part of the violence machine. The estimation of the informal production of the oil and gas is projected to reach USD 9.9 billion by the end of 2019. However, part of this loss that takes into accounts the black-market price of oil has been already included in the non-state actors' expenditure, within GDP loss, and this leaves the net loss of USD 6.8 billion to be added to the total loss.

Overall, the conflict in Syria generated a total estimated economic loss of SYP 13,397 billion at 2000 constant prices (USD 530.1 billion). This is equivalent to 967 per cent of 2010 GDP at 2000 constant prices.

Table 1: Total economic losses in billions (USD at current prices)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	Cumulative
Total economic loss (billion USD)	10.0	50.2	58.3	66.6	59.5	51.8	65.8	81.7	86.2	530.1
GDP Loss (billion USD)	5.7	22.2	40.0	49.0	47.6	44.1	58.0	74.1	80.0	420.7
Capital stock damaged (billion USD)	3.3	23.0	11.8	10.3	5.9	3.6	3.0	2.0	1.6	64.5
Official Military expenditure increase (billion USD)	0.9	4.2	3.9	2.9	2.6	1.8	2.4	2.7	2.5	24.0
AG Military expenditure (billion USD)	0.0	0.7	1.4	2.3	2.4	1.7	1.8	2.0	1.5	13.8
Wealth Loss (oil & gas reserves) (billion USD)	0.0	0.0	1.6	2.7	1.5	0.9	0.9	1.2	1.0	9.9
of which Oil revenue AG	0.0	0.0	0.5	0.7	0.5	0.4	0.3	0.3	0.5	3.1
Cumulative Total	10.0	60.1	118.4	185.1	244.6	296.4	362.2	443.9	530.1	

Source: SCPR calculations 2019

2.6 FISCAL POLICIES

The continuation of the conflict has largely affected the fiscal policies adopted by the government. These policies still prioritize military expenditure and have resulted in the reallocation of available resources from public sector activities and services. The government has aimed to increase its revenue by imposing different fees and taxes, in addition to liberalizing and removing subsidies from some goods, particularly oil derivatives. At the same time, and in order to maintain a minimum level of internal economic demand, the government continues to spend a notable share of its budget on salaries and subsidizing the prices of wheat, sugar and rice.

Non-government-controlled regions have unclear de facto fiscal policies that differ according to the dominant actors. Due to the armed conflict, the de facto authorities of these regions continue to impose new forms of taxes, royalties and fees to cover military-related spending with minimum expenditure on basic services. It is worth mentioning that areas controlled by the AA have established their own fiscal and taxation system. For instance, the AA issued Decree No.18 in 2016 which detailed the introduction of income tax. The

AA has also increased the annual salaries of its employees by SYP 20,000 since October 2017. In 2019 the AA announced its oil related revenue had reached SYP 198 billion, while the administration expenditure allocated to wages and services SYP 129 billion and military spending SYP 68 billion. Nevertheless, several challenges face such newly emerged fiscal authorities including the difficult military and political situation, the absence of fiscal strategy and tools, and the lack of control over the monetary policies.

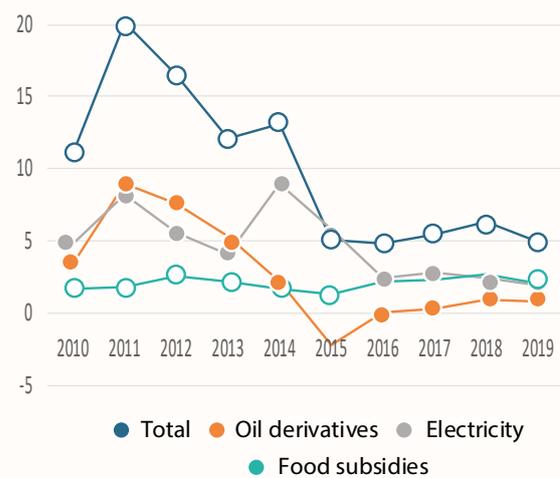
Between 2011-2019, total public expenditure dropped significantly from 28.9 per cent of GDP in 2011 to 17.6 per cent in 2015 and 13.3 per cent in 2019. Current expenditure reduced from 21.6 per cent of GDP in 2011 to 15.3 and 10.5 per cent in 2015 and 2019 respectively. Salaries and wages accounted for two-thirds of current expenditure in 2011, increasing to a peak of 75 per cent in 2015, and decreased to 58 per cent in 2019. It is worth noting that the last increase in public salaries occurred in November 2019 where monthly public wages increased by SYP 20,000. This increase was not substantial enough to cover the devaluation of the Syrian pound and thus there has been a reduction in real wages during the war.

Development expenditure decreased severely from 7.3 per cent of GDP in 2011 to 2.3 and 2.9 per cent in 2015 and 2019 respectively. This is because the majority of development expenditure has been reallocated to military expenditure.

Public subsidies have witnessed a consistent decrease as a percentage of the current GDP from 20.2 per cent in 2011 to 13.1 per cent in 2014, dropped sharply to 5.1 per cent in 2015 due price liberalization. Latest figures show public subsidies accounting for 4.9 per cent of current GDP in 2019 (Figure 33). During the period 2015-2019 the structure of subsidies changed. Subsidies for bread increased to reflect the burden of a noticeable increase in the cost of wheat. As a result, basic food subsidies (wheat, sugar, and rice) increased from 1.3 per cent in 2015 to 2.0 per cent in 2019. Subsidies for electricity reached their peak in 2014, accounting for 9 per cent of GDP and dropped to 5.8 per cent in 2015 and 1.9 per cent in 2019, driven by increases in the prices of electricity. Oil derivative subsidies shrunk from 8.9 per cent in 2011 to turn to a surplus that accounted for 2.2 per cent of GDP in 2015. The depreciation of the currency increased the cost of oil derivatives after 2015 and associated subsidies accounted for only 0.9 per cent of GDP in 2019.

Public subsidies have witnessed a consistent decrease as a percentage of the current GDP from 20.2 per cent in 2011 to 4.9 per cent of current GDP in 2019.

Figure 33: Public subsidies as a percentage of GDP (2010-2019)



Source: SCPR estimations, 2019

The increase of projected military expenditure is the largest component of public expenditure, accounting for 13.5 per cent of current GDP in 2015 and 17.2 per cent in 2019. This expenditure is an engine of the conflict economy and has contributed to diversion of resource towards the conflict and destruction of tangible and intangible wealth and sources of economic growth.

The relative and actual decreases in public expenditure on subsidies to reduce the fiscal burden on the government have led to an increase in the cost of domestic production and inflationary pressures, and thus, a devaluation the currency. This policy has harmed the economy by decreasing local demand and increasing the cost of production and imports.

During the period 2016-2019, the GoS issued amendments to existing taxation laws which, together with the reduction of subsidies, aimed to increase revenue. The main changes were Law No. 46 in 2017, which amended the 2013 Law No. 13, reducing the percentage of the national contribution of reconstruction from 5 per cent to 10 per cent. The government also raised tariffs

on the sale of kilowatts to generate electricity for different categories of consumption (industrial, commercial, agricultural, and domestic consumption) (Resolution No. 349 in 2016). Many direct and indirect taxes have been introduced over the same period by both state and non-state actors.

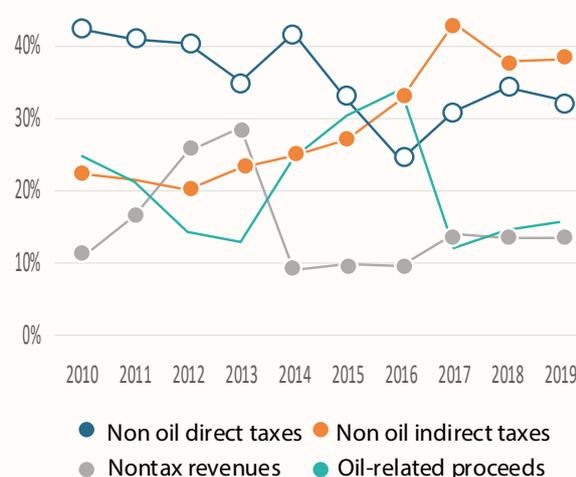
Revenue as share of GDP dropped substantially from 25.4 per cent in 2011 to 10.3 per cent in 2015 and to 7.4 per cent in 2019. These revenues consist of four main categories: first, the oil-related proceeds which dropped from 5.4 per cent in 2011 to 3.1 per cent in 2015, and finally to 1.2 per cent in 2019. Second, the tax on income, profits, and wealth which was estimated at 4.2 per cent of GDP in 2011 and dropped sharply to reach 1.02 and 0.99 per cent in 2015 and 2019 respectively. Most of these taxes come from business taxes, while taxes on property and wealth accounted only for 0.13, 0.03, and 0.02 per cent of GDP in 2011, 2015, and 2019 respectively. Third, taxes on domestic goods and services or non-oil indirect taxes decreased from 5.4 per cent in 2011, to 2.8 per cent in 2015, up to 3.3 per cent in 2017, and dropping again to 2.8 per cent in 2019. The main components of this indirect tax are the consumption tax, tax on international trade and excises. Many changes were implemented, such as the 2017 amendment to tax on imported cars which rose from a range of 20-50 percent in 2011 to a flat rate of 70 per cent. Fourth, the non-oil non-tax revenues, which come from public enterprise surpluses. Such revenues fell from 10.4 per cent of GDP in 2011, to 3.4 per cent in 2015 to 2.4 per cent in 2019.

Overall, there has been both a significant decrease in revenue, and changes in the structure of revenue. The total revenue share of non-oil indirect taxes increased from 14 per cent in 2011 to 38 per cent in 2019 (Figure 34). While the non-oil direct taxes share increased from 16 per cent in 2011 to 29 per cent in 2013, it dropped to 9 per cent in 2014, before increasing to 13 per cent in 2019. Oil revenue dropped from 21 per cent

in 2011 to 13 per cent in 2013, then it increased sharply to 34 per cent in 2016; This was due to the increase of surcharges on oil derivatives, which are considered indirect taxes. Oil revenues then dropped again to 16 per cent in 2019. The relative increase of indirect taxes caused an increase in inequalities, and the surcharges of oil derivatives increased the cost of production and inflation pressures.

Catastrophic damage to the national revenue and the tax system has been caused as the government lost its control over cities and communities and was replaced by de facto authorities that imposed different rules to collect taxes, excises and royalties. Additionally, economic activities have deteriorated due to the destruction of human capital, infrastructure, and capital stock; a lack of security and the widespread of pillage, theft and kidnapping; and a surge in prices and lack of access to intermediate goods and markets. Furthermore, the capacity of the public finance administration deteriorated due to the displacement or migration of their workers, the absence of rule of law, hegemony of conflict economy's activities and the collapse of trust between the taxpayers and public.

Figure 34: The structure of public revenue (2010-2019)



Source: SCPR estimations, 2019

Table 2: Revenue, expenditure and government budget deficit, as % of GDP (2010-2019)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	30.1	25.4	17.3	9.0	12.6	10.3	9.9	7.8	8.6	7.4
Oil-related proceeds	7.5	5.4	2.5	1.1	3.1	3.1	3.3	0.9	1.3	1.2
Non-oil tax revenue	9.9	9.6	7.8	4.7	4.3	3.8	4.1	4.4	4.4	3.8
Non-oil non-tax revenue	12.7	10.4	7.0	3.1	5.2	3.4	2.4	2.4	2.9	2.4
Expenditure	27.2	28.9	27.8	23.0	24.4	17.6	17.5	16.5	18.1	13.3
Current expenditure	17.9	21.6	23.5	20.9	21.5	15.3	15.3	13.4	14.1	10.5
Wages and salaries	11.3	14.3	16.2	15.0	16.4	11.5	10.2	8.2	8.3	6.0
Goods and services	1.3	1.5	1.6	1.5	1.5	1.2	1.3	1.2	1.4	1.2
Interest payments	0.8	1.0	0.6	0.3	0.4	0.3	0.8	1.1	1.1	0.8
Subsidies and transfers	4.4	4.9	5.0	4.1	3.2	2.3	3.0	2.9	3.3	2.4
Development expenditure	9.2	7.3	4.3	2.2	2.9	2.3	2.2	3.0	4.0	2.9
Budget balance	2.9	-3.5	-10.5	-14.1	-11.8	-7.3	-7.7	-8.7	-9.5	-5.9
Budget balance with off budget subsidies	-5.4	-20.6	-23.6	-23.6	-23.0	-10.9	-10.3	-11.8	-12.9	-8.8
Plus military	-5.4	-22.3	-34.6	-40.1	-36.4	-23.9	-23.7	-25.3	-33.5	-26.0

Source: SCPR estimations, 2019

Owing to the collapse in revenue, the public budget deficit increased from 3.5 per cent of GDP in 2011 to its peak of 14.1 per cent in 2013, down to 7.3 per cent in 2015, and then increasing again to 9.5 per cent in 2018, before dropping again to 5.9 per cent in 2019. The deficit with off-budget subsidies dropped from 23.6 per cent in 2013 to 10.3 per cent in 2016, and down further to 8.8 per cent in 2019. The overall deficit with the military expenditure decreased from 40 per cent of current GDP in 2013 to 23.7 per cent in 2016, increasing again to 33.5 per cent in 2018, and dropping to 26 per cent in 2019 (Table 2, below).

The fiscal policies adopted by the government during the conflict have increased economic injustice. This is because resources have been reallocated to military operations and conflict-centered activities. More revenue has also been extracted from the Syrian people by liberalizing the price of basic goods and services and increasing indirect fees and taxes. Whilst this served to reduce non-military public deficit, it also negatively impacted the economic demand, production cost and prices. At the same time, in

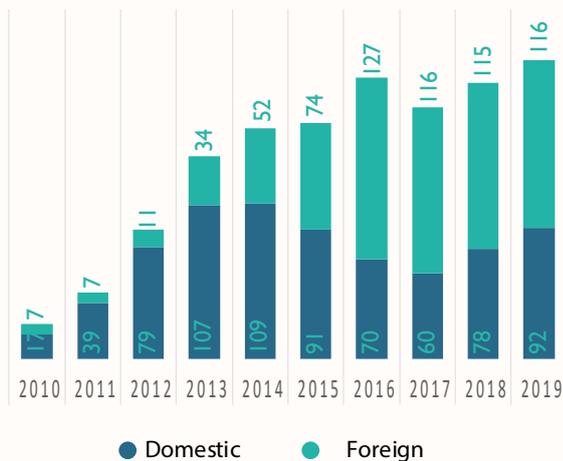
the absence of accountability system there was a lack of effective direct tax on private business which served to benefit the conflict elite. The unjust and weak governed institutions of public finance are a major barrier to pursuing justice in Syria and initiating a sustainable reconstruction process.

The pursuit of the fiscal policies outlined above have driven the enormous deficit through foreign and domestic public debt which creates and propagates the burden of the conflict on future generations. The total public debt as a percentage of GDP increased from 30 per cent in 2010 to 196 per cent in 2016 and 208 in 2019. This increase was driven mainly by the external public debt that increased from 7 per cent of the current GDP in 2010, to 127 per cent in 2016, and finally to 116 per cent in 2019. Domestic debt (as a percentage of GDP) increased from 17 per cent in 2010, to 109 per cent in 2014, decreased to 59 per cent in 2017, and increased again to reach 93 per cent in 2019 (Figure 35). Domestic debt also caused a substantial increase in inflation rates. In February 2020, the government issued treasury bonds to

the value of SYP 150 billion, to public and private banks for two years with 7 per cent interest rate as a new tool to fund the public deficit.

This accumulation of public debt is a burden on the next generations. As the loans have been spent on current expenditure and conflict-related activities, need more loans will be needed in the post-conflict era driving higher public debt and perpetuating and exacerbating injustice for future generations.

Figure 35: Total domestic and foreign debt, as % of GDP (2010-2019)



Source: SCPR estimations.

2.7 COLLAPSE OF EXCHANGE RATES

The Central Bank of Syria lost its control of money supply and credit during the conflict as the country fragmented into different zones controlled by warring actors. The different zones continued to use the Syrian pound but increasingly used US dollars and Turkish lira as well. The rules that manage trade borders and financial transactions differed based on the interest and priorities of the de facto authorities in the area in question. The Central Bank’s main functions also shifted towards financing public expenditure including the conflict-related

activities and implementing direct interventions to stabilize the exchange rate of the currency. These interventions were marred by a lack of transparency, huge rents for financial firms and banks, and misuse of the country’s foreign exchange reserves.

The conflict created many factors that have led to the deterioration of exchange rates. First, the conflict caused a crash in GDP and capital stock as this report highlighted in the previous sections. Second, the business environment is insecure and has been characterized by a lack of rule of law, lack of accountability, and the hegemony of warlords. The business environment has also been affected by restrictions on mobility, transportation and access to markets; displacement; loss of human capital; scarcity of raw materials; a surge in prices; drop of local demand; lack of credit; the monopoly of goods and services; and flight of foreign direct investment. Third, the trade structure deindustrialization led to a deterioration of terms of trade, in addition to the collapse of exports of goods and services which created a large trade balance deficit that depleted the foreign reserves. Fourth, the reallocation of resources and funds towards the military operations damaged productive activities and sources of economic growth. Fifth, the country has become increasingly dependent on external humanitarian

“ The Central Bank of Syria lost its control of money supply and credit during the conflict as the country fragmented into different zones controlled by warring actors.”

and non-humanitarian subsidies, grants, and remittances which have alleviated the deficit of Balance of Payments. Finally, sanctions have restricted trade and financial transactions and banded many previous trade agreements; this has increased the local costs and restricted trade opportunities.

The exchange rate of the Syrian pound depreciated against the US dollar in the black market by 54, 105, 14, 75, and 66 per cent in 2012, 2013, 2014, 2015, and 2016 respectively. The exchange rate stabilized during the second half of 2016 and in 2017. The reduction in the intensity of the conflict, and the number of areas affected, enabled the stabilization and the currency appreciated between October 2017 and July 2018.

Although 2018-2019 witnessed an expansion in government-controlled areas and relative stability in many regions, in addition to a good agricultural season and the beginning of recovery in the manufacturing sector, the exchange rate deteriorated substantially, dropping by 43 per cent in September 2019 compared to July 2018. This report highlights key factors for this deterioration. First, the government has failed to dismantle the foundations of the conflict economy and shift its priorities from a security-centered strategy to reconstruction. This illustrates the influence of the security services and conflict elite (including the external actors) on economic activities and the design of new legislation. Such unfair interventions, which disproportionately benefit the conflict elite, are a continuation of the conflict approach and do not address grievances or initiate a process of inclusivity and trust-building. Second, the weak performance of public institutions that failed to provide enough energy supplies and to recover and invest in lost human capital and infrastructure, excludes small business and households in recovery efforts. Third, the reduction of humanitarian and non-humanitarian assistance that has been received by previous

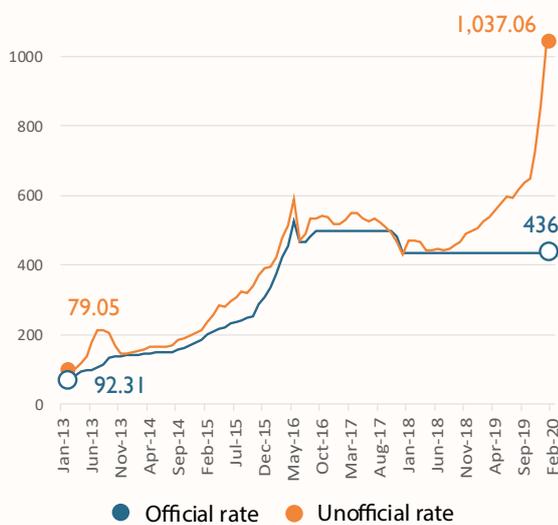
non-government-controlled areas. Finally, the exchange rate devaluation has also been driven in part by international sanctions.

The period October 2019 - January 2020 witnessed an acceleration of depreciation to reach 96 per cent on 16th of January 2020 relative to the 17th of October 2019, however this was followed by a 13 per cent appreciation by the end of February 2020. In addition to the aforementioned factors, two other events are associated with the collapse of the Syrian pound's exchange rate. These are the social movement in Lebanon and the approval of the US Caesar Act. Lebanon's recent economic crisis resulted in the imposition of capital controls, even on holders of small deposits. With a scarcity of hard currency, the weakness of the banking system and recession in economic activities, the Lebanese currency began a steep depreciation. Lebanon is the principle informal channel for Syrian public and private economic and financial transactions and has been the financial hub for the Syrian economy both before and during the conflict. The Lebanese economic crisis has negatively affected the Syrian Balance of Payments and contributed to the depreciation of the Syrian currency. The approval of the Caesar Syria Civilian Protection Act by the United States Congress in December 2019¹³ imposes severe measures on those who engage economically with the Syrian government. This has increased the threat for any investors who want to invest in and or trade with Syrian entities in the future.

The response of the Syrian government has been to issue two laws in 2020 with the aim of controlling the exchange rate by "threat" instead of countering the factors that led to the depreciations. Laws No.3 and No.4 impose severe punishments (seven years in prison and a fine) for use of foreign currency or precious metals in any transaction. The laws also tighten the penalty for anyone who broadcasts, publishes, or shares news that result in the decline or instability of the national currency. Finally, the Central Bank

fixed the exchange rate for banks and external transfers at SYP 700 which is 34 per cent lower than the unofficial rate as of February 2020.

Figure 36: Official and unofficial exchange rates, Jan 2013 - Feb 2020



Source: Central Bank of Syria, CBS and SCPR calculations, 2020

The volatility of exchange rates and the scarcity of hard currency has created fertile ground for speculation and informal and formal financial brokers. It increases the cost of production and inflationary pressures and reallocates wealth from the poor to the conflict elite. Furthermore, the depreciation has not enhanced exports of Syrian

•• The Central Bank of Syria lost its control of money supply and credit during the conflict as the country fragmented into different zones controlled by warring actors. ••

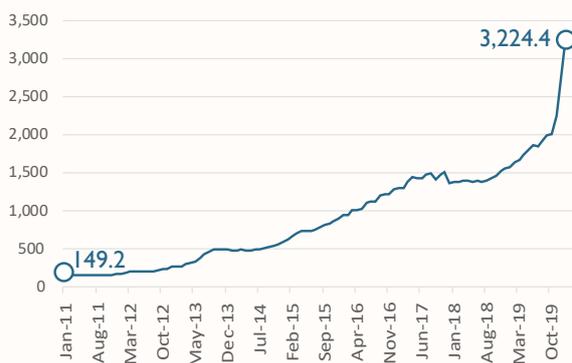
goods due to the restrictions on the production process inside the country. As such, depreciation has served primarily to increase the cost of living and increase poverty.

2.8 COST OF LIVING

This report uses the Central Bureau of Statistics (CBS) CPI to the end of 2018, and, with this the SCPR research team has projected CPI through until February 2020. SCPR has also adjusted the CPI for non-government-controlled areas. The CPI witnessed a sharp increase, reaching a peak of 44.8 per cent in December 2016, compared with December 2015. This surge was driven by the increase in the prices of oil derivatives by about 35 per cent in the mid-2016, and the doubling of the price of electricity since 2016. These increases in prices have eroded the purchasing power for the majority of Syrian households and have absorbed the nominal increase in wages and salaries such as those issued to public sector workers in June 2016.

Prices in conflict zones and besieged areas are much higher than elsewhere in the country, which boosts profit margins for war traders who monopolize the markets of these regions. The increase in prices continued in 2017 as the annual inflation rate reached 29 per cent in December 2017. According to calculations, this report posits that from the end of 2018, the CPI witnessed an annual increase of only 0.4 per cent, as the first three quarters have a reduction in the prices while the last quarter witnessed an increase in prices. In 2019 however, the CPI surged to 33 per cent. This was a result of several factors, including the fluctuation and depreciation of the exchange rate, government policies of increasing indirect taxes and fees as an attempt to bridge the budget deficit, and the scarcity of many commodities and services in regions due to the security conditions. In addition to these factors is the impact of the Lebanese crisis. The impact of price increase on poverty and inequality will be addressed in the poverty section below.

Figure 37: Monthly Consumer Price Index (CPI) (2011-2019)



Source: CBS and SCPR estimations 2020.

2.9 JOB SCARCITY

The Universal Declaration of Human Rights (1948) defined the right to work as a fundamental human right, stating: “right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment”. In the devastating Syrian conflict, finding suitable work is a challenge that compounds the struggle to survive. New domains of economic activities have legally and illegally shaped labor markets by feeding the conflict on the one hand and enhancing disparities, poverty, and unsafe conditions on the other. Many forms of injustice, including child labor, the exploitation of women, an expanding informal sector, institutionalization of corrupt activities, the weapons trade, smuggling, human trafficking and the deterioration of social protection have all increased significantly because of the conflict

The growth and scale of violence-related networks have created new interests both inside and outside Syria. Regions under control of different subjecting powers have experienced new rules which contribute to fragmented working environments and conditions. The common features of labor markets within

Syria are a lack of opportunities, indecent work conditions, low wages and the proliferation of informal sectors.

Whilst the government has taken back control of many areas inside Syria, the severe economic recession and on-going conflict have left few productive job opportunities. A large number of informal and violence-related activities have emerged including theft, trade of stolen goods on the black market and irregular oil refining and selling. Cross-border areas have also opened a new domain of illegal work such as smuggling, drug trafficking and trade, as well as arms trading.

The results of the population survey indicated that the most prevalent new activities that have appeared during the conflict are related to primitive oil refineries and fuel trade that appeared in around 30 per cent of the total areas studied in the survey especially in Idlib, Al-Hasakeh, and Deir-ez-zor. Smuggling is another principle emerging activity which is practiced in many governorates (SCPR, 2018). Overall, the survey indicated that 17 per cent of the active population in Syria is involved in illegal activities as the result of the conflict (SCPR, 2016). The service sector, inclusive of government services and trade has absorbed the most employment followed by the agriculture sector in 2019. The agricultural sector is still considered as an important safety net for families.

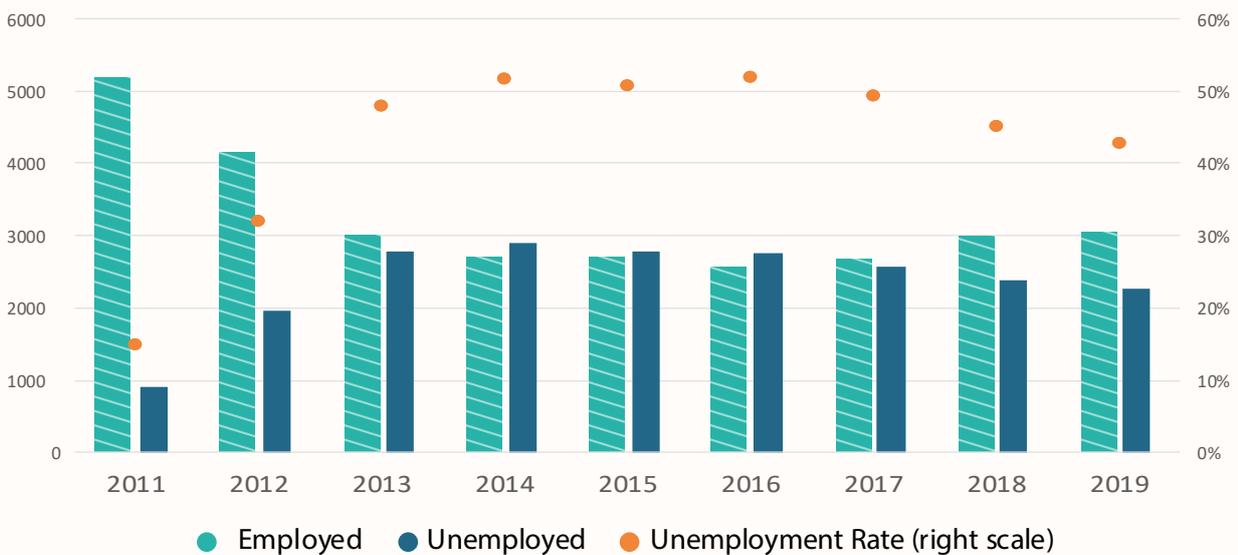
Total employment decreased sharply during the conflict from 5.18 million in 2011, to 2.57 million in 2016 and increased to 3.06 million in 2019. The unemployment rate increased from 14.9 per cent in 2011 to 51.8 per cent in 2016 and decreased to 42.6 per cent in 2019. The labor market lost 2.2 million jobs compared to the pre-conflict 2010 employment status. By applying the counterfactual analysis and factoring in jobs that would have been created in the absence of the conflict, this report estimates that the labor market lost 3.7 million jobs force until the end of 2019 (Figure 38, below). The huge loss of jobs has

increased the economic dependency ratio from 4.13 persons per employee in 2010 to 6.4 persons in 2019. As such, more people are dependent on fewer workers, that reduced income per capita, whilst process and needs have increased. This is especially stark in besieged and non-government-controlled areas which have experienced disproportionate hardship.

Whilst nominal wages have increased from 12,400 SYP in 2010 to 49,700 SYP in December 2019, according to SCPR projections, real wages in 2019 equivalent to 30 per cent of 2010 wages. Furthermore, given the increase in the dependency ratio, the real wage per capita in 2019 equals to 19 per cent of real wage per capita in 2010.

•• The unemployment rate increased from 14.9 per cent in 2011 to 51.8 per cent in 2016 and decreased to 42.6 per cent in 2019. ••

Figure 38: Employment and unemployment rates during years (2011-2019)



Source: SCPR estimations, 2019

3.

SOCIAL IMPACT OF
THE CONFLICT

3. SOCIAL IMPACT OF THE CONFLICT

3.1 POPULATION DECLINE

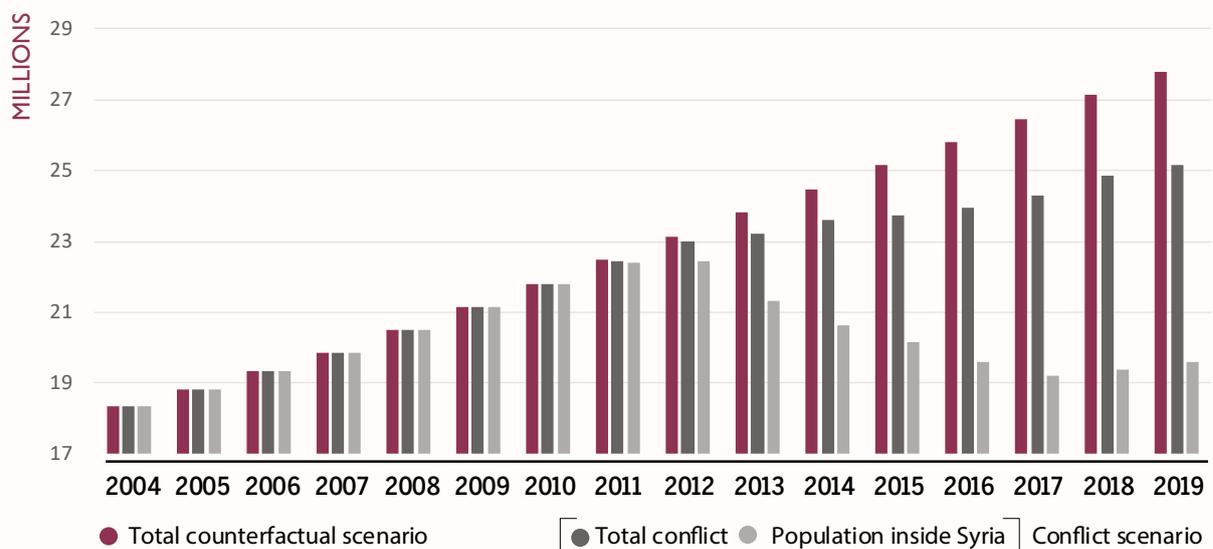
The prolonged conflict has had severe impacts on demographic indicators. While Syria had high population growth before the conflict, this has shifted to negative population growth, with a declining population within Syria itself. The population inside Syria has declined by 2.3 per cent in 2015, 2.9 per cent in 2016 and 1.9 per cent in 2017. However, 2018 and 2019 have seen a positive growth, with a population increase of 0.9 per cent in 2018 and 1.1 per cent in 2019; the total population was 19.6 million in 2019.

The population decline is attributable to three factors; the first of these is the sharp rise in mortality rates due to conflict casualties. Although direct conflict-related deaths dropped between 2015-2019, the military operations, disrupted healthcare systems, reduced adequate food intake, and other factors have continued to ruin people lives¹⁴. The second factor is a decline in birth rates since the beginning of the conflict,

from a rate of 38.8 per thousand of the population in 2010 to 25.4 in 2019. The third factor is the exodus of refugees and migrants, estimated at 5.6 million in the neighboring countries (UNHCR 2019). Net migration rates surged from 4 per 1,000 in 2010 to 70.5 per 1,000 in 2013, however this rate has reduced to 34.3 per 1,000 in 2017 and down to only 8 per 1,000 in 2019. While the recent decline in military operations in 2019 has led to a reduction in direct casualty-related deaths, living conditions are still not sufficiently safe for displaced people to return.

The conflict has also had an impact on the gender and age demographics within the population. Various factors have influenced these shifts, including number of male deaths relative to female deaths in the conflict; and the impact of displacement, migration and asylum seeking (studies typically indicate women have limited mobility during the conflict, in comparison with men) (SCPR, 2016). According to Population Survey results 2014, the proportion of females

Figure 39: Syrian Population 2004-2019: Counterfactual scenario and conflict scenario (Total and inside Syria)



Source: Population Status Survey 2014, OCHA, SCPR estimations 2019

Table 3: Population statistics in Syria (2010-2019)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Births	0.0388	0.0360	0.0333	0.0305	0.0282	0.0246	0.0248	0.0250	0.0252	0.0254
Deaths	0.0044	0.0057	0.0078	0.0108	0.0126	0.0120	0.0110	0.0099	0.0087	0.0070
Migration	-0.0040	-0.0033	-0.0235	-0.0705	-0.0495	-0.0352	-0.0424	-0.0343	-0.0080	-0.0079
Growth	0.0304	0.0270	0.0020	-0.0508	-0.0339	-0.0226	-0.0285	-0.0192	0.0085	0.0105

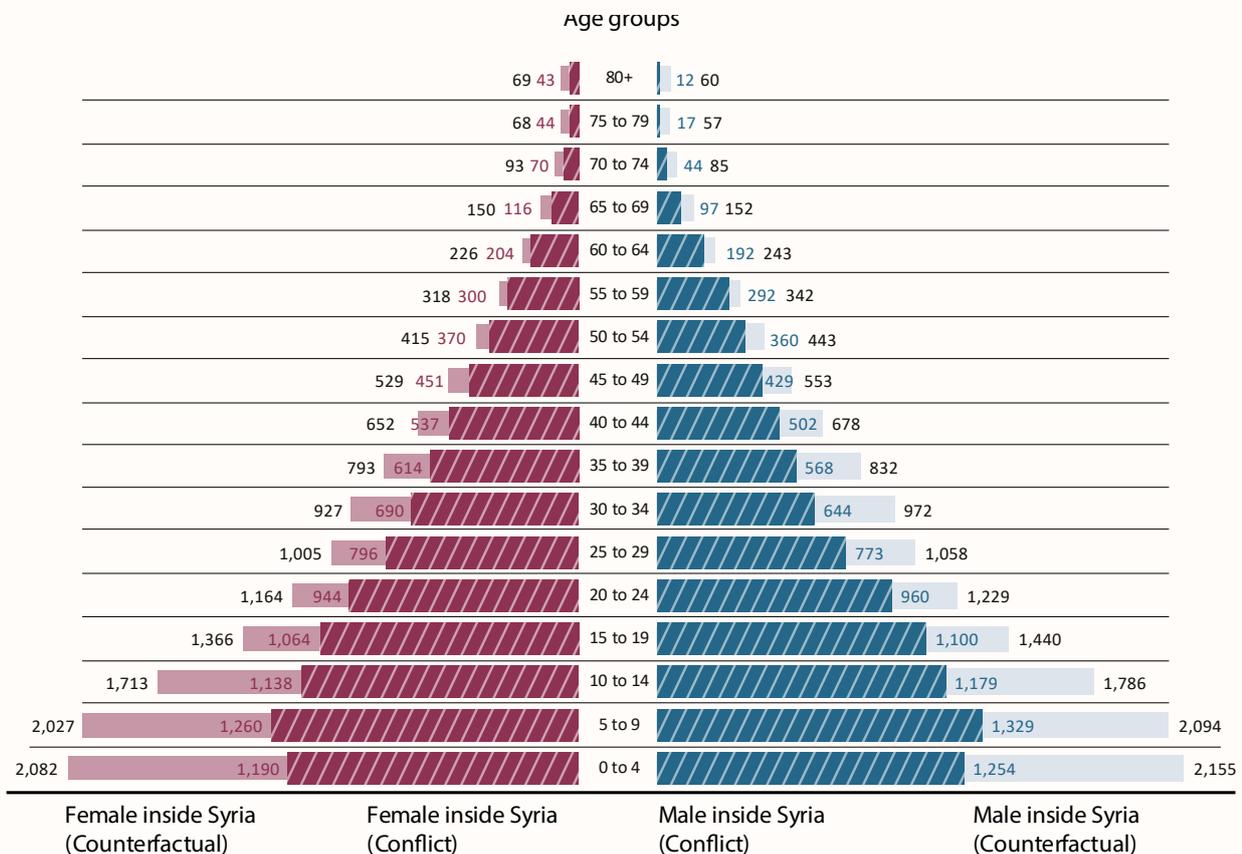
* Projections based on the population status survey 2014 and Syrian Observatory for Human Rights and ACLED estimations of the direct conflict related death; and UNHCR for the projections of net migrations.

Source: Population Status Survey, 2014 and SCPR’s calculations.

that were not displaced was 51 per cent and women represent 57 per cent of IDPs. The population pyramid in Figure 40 shows the

dramatic shift in the population demographics when looking at 2019 figures versus counterfactual projections.

Figure 40: Population pyramid inside Syria 2019: Conflict estimations vs. Counterfactual projections



Source: SCPR projections, 2019

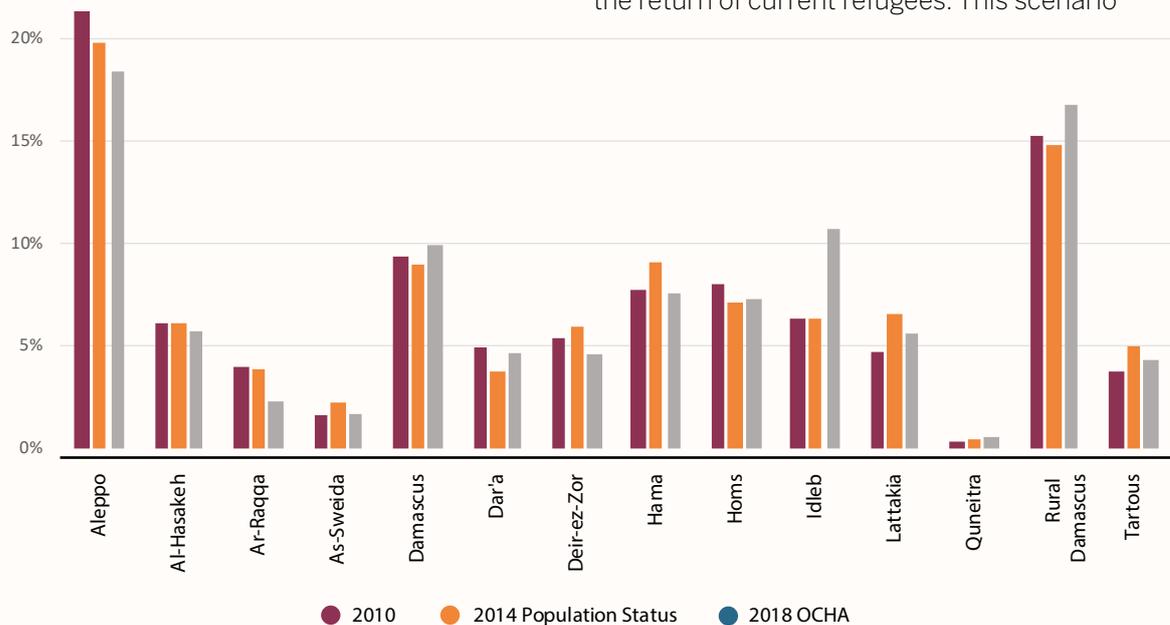
The projected population of 2019, assuming the absence of conflict (counterfactual scenario), is based on the population residing in Syria in 2010. The projections assume a slow decline of fertility, using the fertility model of 2010, which had been prepared based on vital population records. It also assumed ongoing migration at rates similar to those observed between 1994 and 2010. The research used the Syria life table of 2010. In the absence of conflict, the 2019 Syrian population would stand at approximately 27.78 million.

The projection of population pyramid inside Syria during the conflict (conflict scenario) has been developed based on the 2014 baseline population estimates (SCPR, 2016) and the projection of fertility (SCPR, 2019), mortality (SOHR, 2019; ACLED, 2019) and refugees (UNHCR, 2019).

Challenging circumstances confront the population that have remained in Syria, including the widespread destruction of infrastructure, insecurity and military conscription amongst the deterioration of living conditions and economic decline. These compounding factors, together with the existential threat posed by the armed conflict, have led to mass displacement, the pattern of which was determined by the conflict conditions in each Governorate. As a result, the population distribution inside Syria changed both substantially and heterogeneously. Idleb and rural Damascus have seen increases in their population's shares, while Aleppo, Al-Hasakeh and Ar-Raqqa have seen population's shares decrease (Figure 41).

Utilizing the counterfactual methodology outlined in Annex 1, projections for demographic indicators have been conducted. These develop actual predictions for Syria's population in 2030 compared to the projected figures if the conflict had not occurred. The 'conflict scenario' projection uses 2019 mortality and fertility figures and assumes further exodus of refugees without the return of current refugees. This scenario

Figure 41: Distribution of population by governorates (2010, 2014, 2018)



Source: Population Status Survey, 2014, UNOCHA 2018 and SCPR's calculations

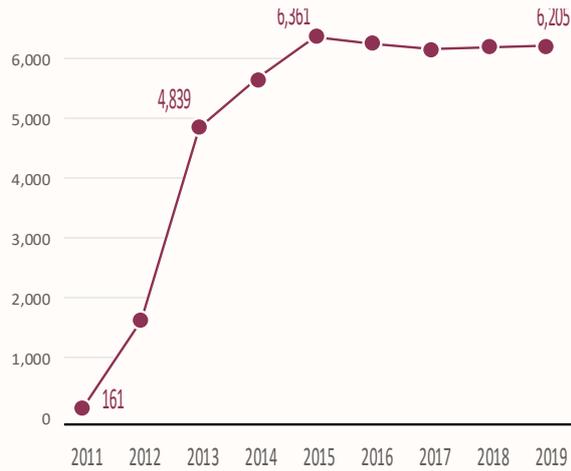
projects a population of 21.7 million in 2030, which is close to the 2010 population figure. The counterfactual projects that, in the absence of a conflict, the Syrian population would stand at 35 million in 2030. Based on this, the actual 2030 represents 62 per cent of the hypothetical population, highlighting the huge demographic crisis caused by the conflict.

3.2 FORCED DISPLACEMENT¹⁵

Over the course of the nine-year Syrian conflict, more than 5.6 million people have fled the country and sought refuge in Lebanon, Turkey, Jordan and other countries. In August 2019, the number of IDPs had reached 6.14 million (UNHCR 2019), the world’s largest conflict-related internal displacement.¹⁶ By the end of August 2019, the number of recent IDPs (during January-August 2019) had reached 1.16 million, of which the majority of people came from Idleb, followed by Hama, then Deir-ez-zor. Many of these IDPs had left their homes or temporary living spaces for the second or third time.¹⁷

While overall intensity of the conflict decreased in 2019, the number of refugees and IDPs did not decrease – instead new displacement cases were recorded. Also, the rate of return of IDPs was very slow. This is arguably due to concentrated areas of conflict that have continued over the last 2 years. The United Nations High Commissioner for Refugees has estimated around 134,000 IDPs as a direct result of the Turkish ‘Ghushn Al-zaitoon’ (olive branch) military campaign, carried out in the Afrin region of northern Syria, ending in May 2018. The battle of Khan Shaykhun in Idleb, launched by the Syrian government against opposition factions in August 2019, also resulted in hundreds of thousands of new IDPs. A further 202,000 people were displaced in October 2019 due to the Turkish campaign, ‘Naba Al-Salam’ (Peace Spring) in north-eastern Syria. In early 2020, intense military operations in Idleb and West Aleppo have forced hundreds of thousands of people to seek refuge in northern Idleb and Aleppo.¹⁹

Figure 42: Annual number of IDPs (2011-2019)

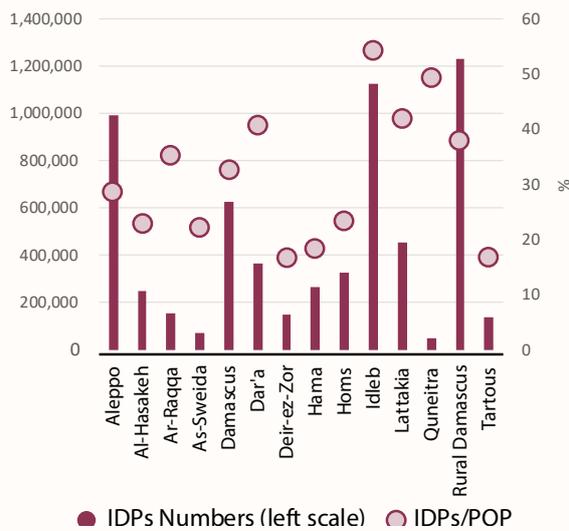


Source: Population status survey along with the estimations of UNHCR 2019

Overall, we can see that more than half of Syria’s population has been affected by forced displacement, which has had devastating effects on their access to essential services, realization of human rights, livelihood and economic prospects (SCPR, 2020).

•• While overall intensity of the conflict decreased in 2019, the number of refugees and IDPs did not decrease – instead new displacement cases were recorded. ••

Figure 43: Forcibly displaced persons as percentage of population (2018)



Source: HNO: OCHA 2019

The results of the 2020 SCPR study on displacement indicate a number of factors, which contribute to people’s decision to leave their homes and move for other regions. The report identified five factors within the regions that received displaced people: Firstly, the displacement rates are negatively associated with social capital. Tension between displaced people and the hosting communities has been observed, with competition over political, social and economic resources. Secondly, displacement rates to a specific location are associated with that location’s institutional or governance performance; as well as lower levels of violence, discrimination and corruption and higher levels of effective rule of law. Thirdly, living conditions are positively associated with displacement – that is, displaced people will seek locations, which have desirable living conditions, including the availability of communications, transportation, electricity, water and employment opportunities. Fourthly, displacement rates are positively associated with higher levels of human development associated with a location, such as education infrastructure and resources. Finally,

displacement rates are negatively associated with conflict-related mortality.

When it comes to push factors in the original place of residence for displaced people, the results show that displacement are highest from the conflict-affected areas with high conflict related mortality rates, and areas with poor living conditions, services and institutional performance.

3.3 REFUGEES: INJUSTICE ABROAD²⁰

This section will focus on the unique challenges faced by displaced Syrians overseas, a group that includes refugees, asylum seekers and others who have been displaced outside the country due to fear, insecurity, war and the destruction of the basic requirements for survival. Displaced persons suffer from many of the same injustices and challenges that other Syrians also encounter as a result of the conflict.

This report provides an overview of the different waves of migration and the increasingly deteriorating international response both at the country and international institutional level. It also highlights three dimensions of refugee struggles: Entry and movement; human development; and status, voice, and representation capabilities.

3.3.1 Waves of Migration

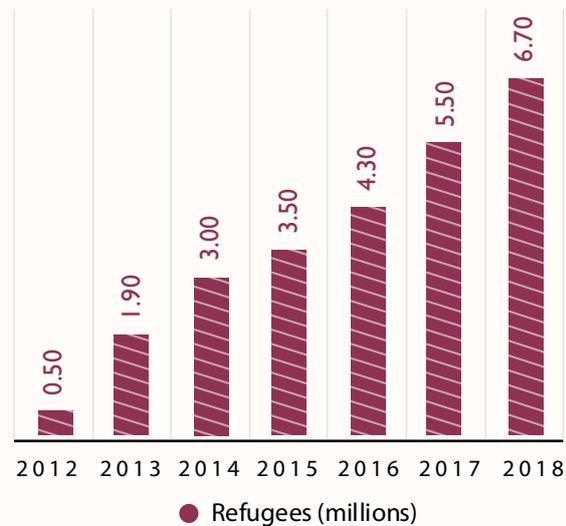
Seven main waves of forced displacements inside and outside Syria can be identified since the conflict began in March 2011 (Dahi, 2019). The first wave occurred 2011, with refugees fleeing to Lebanon and Turkey due to the initiation of military campaigns, the increase in violence by security forces, as well as arbitrary arrest, kidnapping and enforced disappearance. The first refugee camp for Syrian refugees was opened in Turkey within two months of the conflict beginning.²¹ The first wave of migration relied on pre-conflict connections with countries like

Turkey, Jordan and Lebanon such as employment, business, friendship or kinship ties with people in those countries. Proximity, of course, also played a role in choosing a destination, due to ease of access. Other forcibly displaced people migrated internally to areas of Syria less conflict-affected.

The second wave of immigration began in March and April of 2012 when the struggle turned into a widespread military conflict, which resulted in destruction of infrastructure including housing, schools, hospitals and services. By the end of 2012, UNHCHR reported that there were over 500,000 Syrian refugees and around 1.6 million IDPs.

The third wave of migration began in early 2013 and was motivated by continuous and systematic destruction of infrastructure and basic services; heavy military bombardments which claimed the lives of tens of thousands of civilians; the control of several towns and regions by various factions; and fear of human rights violations and collective punishment that was being used by security forces. Forced military service was also a motivating factor for young men to flee the country. By the end of 2013, there were an estimated 1.9 million refugees and 4.8 million IDPs (SCPR, 2019). In 2014, the “ISIS” emerged, causing a fourth wave of displacement. Many civilians fled due to indiscriminate shelling operations that were launched by ISIS and conflicting parties, which led to massive destruction of civilian infrastructure (Davis 2015). By the end of 2014, the number of refugees had increased to 3 million, and IDPs to 5.7 million.

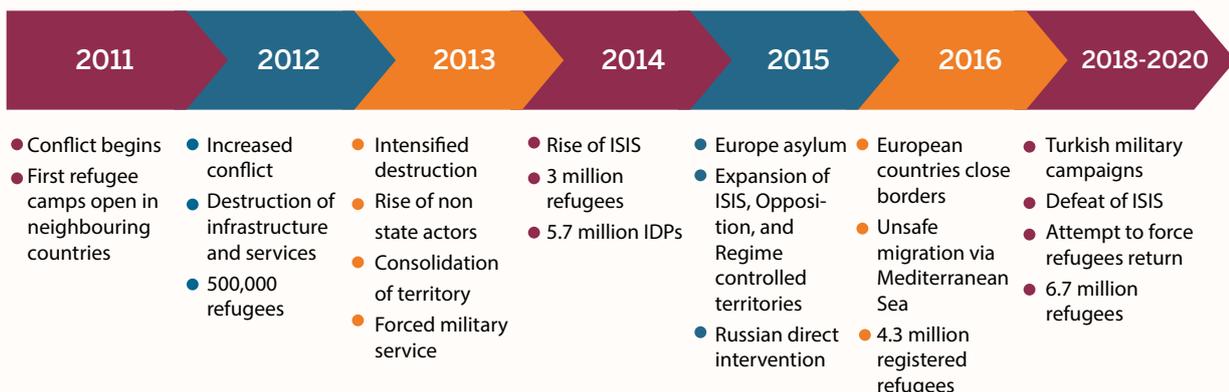
Figure 44: Number of Syria Refugees (2012-2018)



Source: UNHCR 2019: Global Trends.²²

The fifth wave of displacement and forced immigration was towards the EU in 2015. The German Federal Office for Migration and Refugees announced that it had received around one million asylum seekers between 2014 and 2017, with the vast majority of them have been arriving between July 2015 and February 2016 (The German Federal Office for Migration and Refugees, 2018). This mass migration was attributed to the leniency of asylum laws in Germany²³. At the end of 2015, the total number of Syrian refugees had reached about 3.5 million.

Figure 45: Stages of forcibly displacement during the conflict



Destructive battles continued throughout 2015, along with the expansion of the opposition's as well as ISIS's controlled areas. Direct Russian military intervention in September 2015, led to further violent battles, and as a result the number of IDPs had increased by 6.4 million by the end of 2015 (SCPR, 2019).

In March 2016, a sixth wave of migration and displacement began. However, as many neighboring and EU countries had begun imposing heavy restrictions on entry of asylum seekers, much of this displacement shifted to 'illegal'. Many made unsafe journeys via the Mediterranean Sea, facilitated by people-smugglers which put them at extreme risk of exploitation, abuse and death. By the end of 2016, the number of registered refugees had reached 4.3 million people, whilst the IDP figure remained at 6.2 million.

From 2017 to 2019, the seventh wave of migration occurred, with a notably peak after the battle of Aleppo at the end of 2016. Whilst this period saw Turkish military campaigns and the invasion of Afrin and Al-Jazeera, this period also saw de-escalation in many areas, the expansion of regime control and SDF control, and the retreat and defeat of ISIS (announced March 2019). During this period the GoS regained control over the eastern Ghouta, Daraa, Quneitra, Ar Rastan and parts of rural Idlib and Hama. The phase was accompanied with forced displacement of the population towards Idlib and rural Aleppo. Despite the subsiding intensity of battles' in 2018 and 2019, rates of return of those displaced were low due to the absence of security, infrastructure, essential services, and basic necessities for livelihoods. Neighboring countries enacted policies to hasten the return of refugees, especially from Jordan and Lebanon, and later, Turkey. By the end of 2019, the number of recorded refugees had reached 6.7 million and the number of IDPs was 6.2 million. From the beginning of the conflict, the response to the refugee exodus, particularly by neighboring

host countries mixed genuine humanitarian impulse and extensive assistance, with instrumentalization of the refugee presence for political goals of the host states or political parties within them in the Syrian conflict. The mixing of refugee assistance with geopolitical calculations culminated in the refugee rightlessness EU-Turkey deal of 20 March 2016 (Amnesty International 2017²⁴).

3.3.2 Refugees' Experience of Injustice

As mentioned at the beginning of this section, refugees experience multiple forms of injustice which can be divided into three dimensions: entry and movement; human development; status, voice and representation.

Entry and Movement

Entry and movement capabilities have to do with the ability of displaced populations to flee their country and enter another country, and once there, to reasonably move within that country to access vital services. The EU-Turkey deal illustrates a deterioration of these capabilities, as this agreement closed European borders to refugees. Due to legal ambiguities in refugee law, it is unclear whether turning refugees away from a country's border is akin to non-refoulement, and there are no legal mechanisms to ensure

•• refugees experience multiple forms of injustice which can be divided into three dimensions: entry and movement; human development; status, voice and representation. ••

acceptance of refugees. But the consequences for those seeking refuge have been severe and life-threatening. Refugees were forced to put their lives in the hands of people-smugglers, which resulted in a number of drownings in the Mediterranean Sea caused by unseaworthy vessels and inexperienced operators.

Similar restrictions on entry and movement are also occurring throughout the region. For example, after effectively closing its border in October 2014, Lebanon instructed the UNHCR to stop registering Syrian refugees as of 6 May 2015²⁵, meaning that Syrian refugees in Lebanon awaiting registration were made even more vulnerable to statelessness and human rights violations. Similarly, Jordan severely restricted entry of Syrians in 2014. The result is that Syrians are increasingly trapped in their current locations whether inside Syria, inside the host countries, or for hundreds of thousands in border locations.

Human Development of Refugees

Human development capabilities consist of the basics needed for survival, including housing, education, healthcare, as well as livelihoods and employment. Most refugees in neighboring countries are living in a state of limbo. Unlike those who make it to the EU, refugees in neighboring countries are unlikely to be settled permanently in their host country and thus face extreme barriers to accessing services and improving their economic situation. The majority of refugees in neighboring countries face extreme material deprivation. While it is true

●● The silencing of refugees is particularly alarming in light of several violations of refugee rights, particularly of women. ●●

that many of the host communities also suffer material deprivation, the inequalities between national averages and the Syrian refugees are still significant. According to the UNHCR, 93 per cent of Syrian refugees in Jordan are living in a state of poverty²⁶. In Lebanon in 2018, food insecurity affects 91 per cent of refugee households, 76 per cent are living under the poverty line, and 58 per cent of households are living in extreme poverty (under USD 2.87 per person per day)²⁷. However, the question of access is more complicated than simple availability; even in cases where there are no legal barriers to access to basic services, there are significant informal hurdles, including gender, location and language (in cases of non-Arabic speaking host countries).

In the case of employment, numerous studies have documented the informalization of refugee labor which has led to severe forms of exploitation like the case of Lebanon where the refugees are restricted to work only in construction, agriculture, and cleaning²⁸.

The massive decline in educational access is one of the severe deprivation of the refugees's children. An estimated 58 per cent of registered Syrian refugees in Lebanon were out of school in 2017 (UNHCR, UNICEF, WFP 2017: Vulnerability Assessment of Syrian Refugees in Lebanon).

Status, Voice & Representation

The last dimension of capabilities has to do with status, voice and representation. There is a tendency to perceive refugees as an apolitical and homogeneous group. Even the most liberal sectors of host countries ignore and even deny the political positions and demands of refugees. Refugees are routinely depicted as victims and helpless, reinforcing their situation as merely requiring charity rather than empowerment (Mansour 2018). These kinds of attitudes toward refugees reinforced by several host governments, NGOs and international institutions tasked with protecting the rights of refugees.

The silencing of refugees is particularly alarming in light of several violations of refugee rights, particularly of women. For example, a report by the UNFPA demonstrates how difficult it is for women to escape violence²⁹. Women are at increased risk of experiencing sexual violence during a conflict, and as refugees, many continue to endure violence and sexual exploitation. However, these issues are not solely limited to women. Men and boys experience sexual violence and also being labelled and targeted as “threats” (UNHCR, 2017). The sexual violence against men, women, girls and boys is a grave injustice which will leave a grave injustice for many generations to come. The lack of voice and the degradation of rights, means that most of these issues will be ignored both in the political process and also in key policies relating to refugees themselves.

The vulnerable legal status of refugees and their disability to have adequate participation and representation hinder the expression of their grievances and eliminate their political voice in an individual or collective manner. Anecdotal

evidence suggests that refugees are expected to be grateful to those who have come to their aid, and to be silent and uncomplaining about their basic needs and political opinions. Particularly in the countries neighboring Syria, refugees are generally not permitted to create representative institutions to highlight their voices and priorities. Connections are usually made at the informal level with host communities and non-governmental organizations. Nor do the various political processes empower or even create a space for refugees’ priorities and a space to discuss questions return and rights.

3.4 THE UN HUMAN DEVELOPMENT INDEX

Human Development is calculated using the United Nations Human Development Index (HDI). The three dimensions of HDI are health, education and income, all of which have deteriorated significantly in Syria due to the conflict. This section examines the HDI calculations for Syrian before the conflict

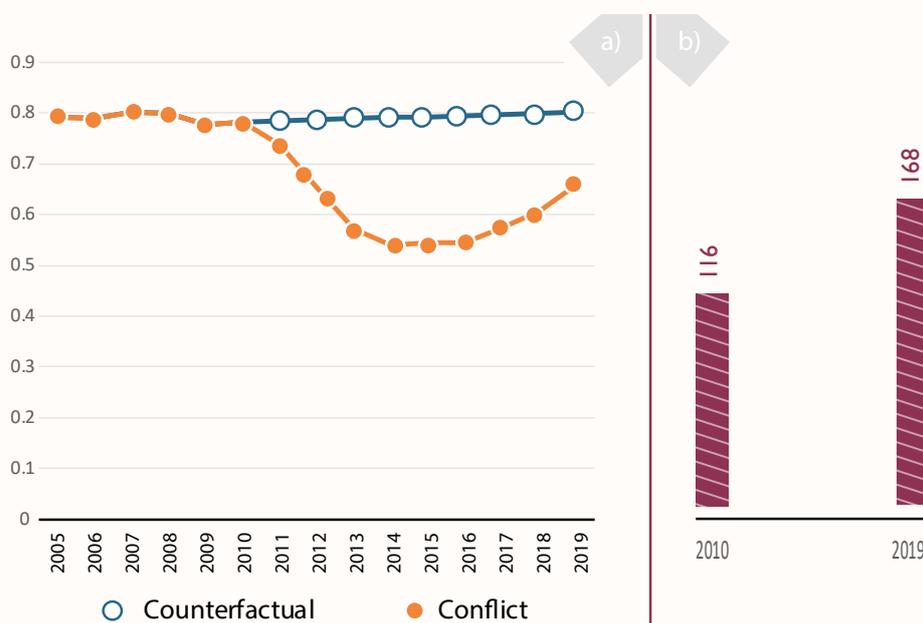


Figure 46: (a) HDI Health Index for Syria (2005-2019); (b) Syrian HDI Health Index Ranking (out of 191 countries)

Sources: HDR, and SCPR estimations

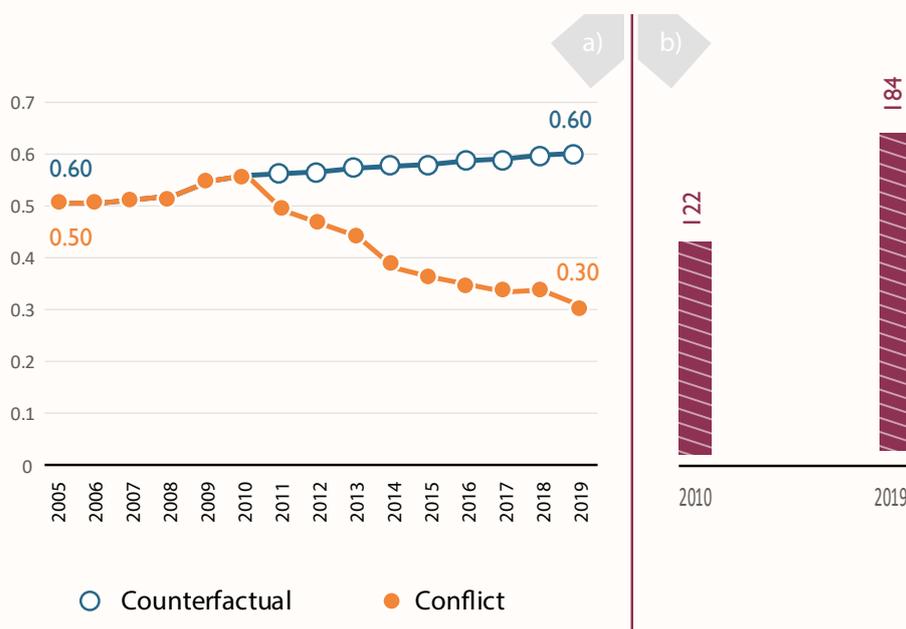
and attempts to measure the impact of the conflict on the human development status in two ways. First by comparing current figures versus pre-conflict figures. Second, using the counterfactual projection method explained in (Annex 1) comparing current rates with the counterfactual scenario in the absence of conflict. It is worth mentioning that the results of HDI in this report differ from those reported by the Human Development Report (UNDP, 2015). This is because SCPR adjusted the pre-conflict calculations based on updated demographic indicators (SCPR, 2016), and calculated the HDI during the conflict using the population survey of 2014, in addition to economic, health, and education data and estimations conducted by SCPR during 2016-2019.

In 2010, Syria's HDI Health Index ranked 116th of 191 countries, decreasing to 168th by 2019 (Figure 46). This is based on the newly calculated life tables that estimated life expectancy at birth in 2010 at 70.5 years (SCPR, 2016). In 2015, and based on data from the population survey of 2014, life expectancy at birth was projected at 55.4 years in 2015. The SCPR projected life

expectancy at 62.9 in 2019 due to the reduction in conflict related deaths.

Between 2010 and 2019, Syria's HDI Education Index fell from 122nd in 2010 to 184th. The severe drop is due to destruction of education infrastructure (schools and other structures) and resources (human and financial). The conflict led to a drastic fall in attendance rates and expected years of schooling. Although enrolment rates have improved marginally in recent years, the expected years of schooling still remains low. Almost half of the basic school-aged children were out of school in 2017, although this figure decreased to around a third out of school in 2018 and 2019. Higher education levels also saw a decrease in expected years of schooling.

Figure 47: (a) HDI Education Index for Syria (2005-2019); (b) Syrian rank in Education Index (out of 189 countries)



Sources: HDR, and SCPR estimations

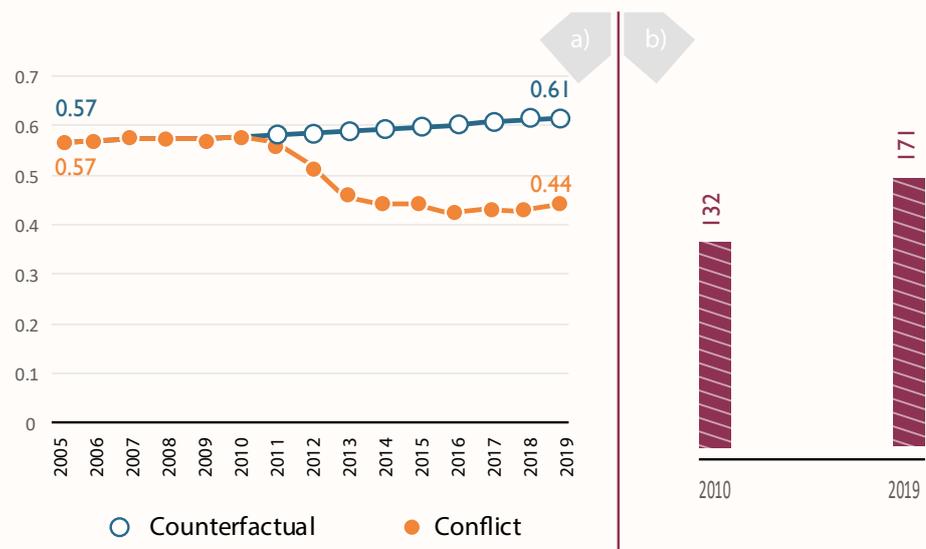
•• HDI of Syria in 2019 is estimated to have lost 29.2 per cent of its value compared to 2010, and 33.0 per cent of its potential value until the end of 2019. ••

In 2016, Syria's HDI Income Index decreased by 28.6 per cent in 2019 compared to 2010 (Figure 48a). The ranking of Syria 2019 in the Income Index fell from 132nd to 171st position out of 193 countries (Figure 48b). This drop in per capita income reflects the recession and the collapse of GDP and wealth during the conflict.

Syria continues to be at an extremely low, and reduced level of human development due to the armed conflict. The results of the 'counterfactual'

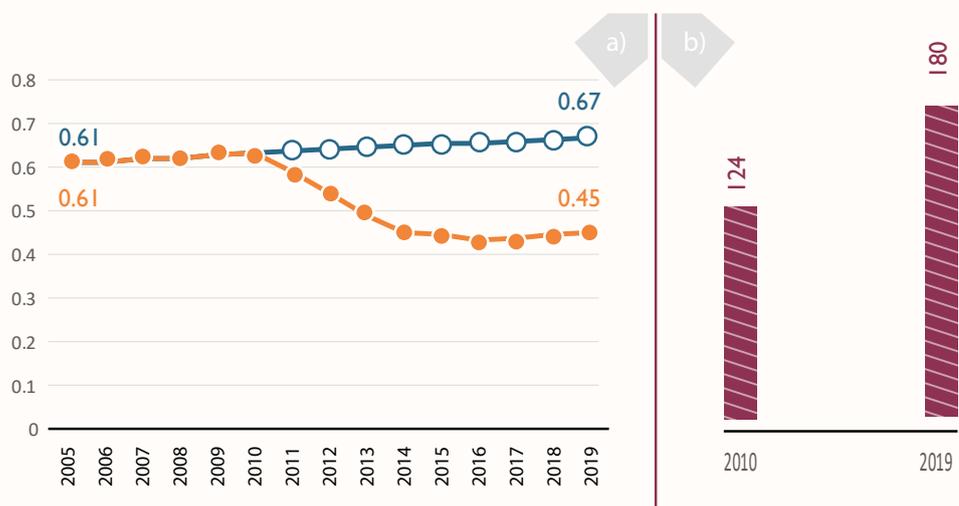
scenario highlight that Syrian HDI would have increased from 0.631 in 2010 (after adjusting the overestimation in the pre-conflict data) to 0.667 by the end of 2019, putting Syria in the 'medium human development' group. The 'conflict' scenario indicated a projected drop in Syria's HDI from 0.631 in 2010 to 0.431 in 2016 with minor increases in 2017-2019 to reach 0.445 in 2019 (Figure 49a). In 2019, Syria was positioned in the 'low human development' group and is among

Figure 48: (a) HDI Income Index for Syria 2005-2019; (b) Syrian rank in Income Index (out of 193 countries)



Source: HDR, and SCPR estimations.

Figure 49: (a) HDI for Syria 2005-2019; (b) Syrian rank in HDI (out of 189 countries)

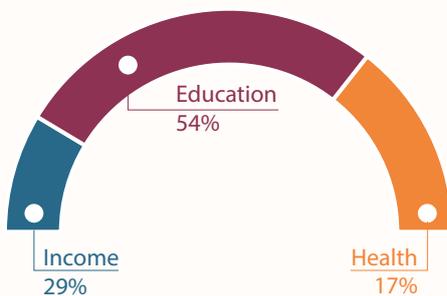


Source: HDR, and SCPR estimations.

the ten worst performing countries worldwide in terms of HDI. The general HDI rank of Syria using the 2010 HDI results, indicates a fall from 124th to 180th place out of 189 countries (Figure 49b). Overall, the HDI of Syria in 2019 is estimated to have lost 29.2 per cent of its value compared to 2010, and 33.0 per cent of its potential value until the end of 2019.

During the conflict the drop in the Education Index contributed 54.5 per cent of the total HDI loss; income accounted for 28.4 per cent, and Health accounted for 17.1 per cent (Figure 50).

Figure 50: Factors contributing to Syria's HDI decline as percentages



Source: HDR, and SCPR estimations.

3.5 Education

The conflict has affected negatively both the present and the future for Syrians, with the deterioration of the education system and educational outcomes one of the most severe. Essential services in Syria, including schooling, have been compromised by the conflict through the destruction of infrastructure and equipment, and the depletion of resources (both human and financial). During the conflict, schools have been targeted, and other factors including insecurity and fear, loss of human capital, mobility restrictions, forced displacement, and economic hardship have contributed to poor access to education for Syrians. This could lead to minimizing the social capital and deepening

the state of exclusion and fragmentation (Beresnevieiute, 2003). Depriving a generation of Syrians of their rights to education and capacity building prevents them from active participation in rebuilding their society (SCPR, 2018).

The continuation of the conflict has led to the creation of separate and isolated regions controlled by different powers that imposed their own vision and objectives on the community. This was reflected in the implementation of different educational curriculums and methods that deepen the state of fragmentation and invest in identity politics. These methods differ according to the dominant actor. For instance, in the regions that used to be controlled by Islamic State in Iraq and Sham (ISIS), most schools were forced to close, and in 2016 they began to impose an extremist curriculum with compulsory education for males until 14 years and females until 10 years old only. In many opposition-controlled areas, there were different civil society initiatives to rehabilitate schools and compensate for the lack of teachers. Yet, the majority of these initiatives were not sustainable due to the lack of funds or the dramatic change in the dominant powers. Some NGOs were able to sustain their support to schools with external funds. The

•• The continuation of the conflict has led to the creation of separate and isolated regions with the implementation of different educational curricula and methods that deepen the state of fragmentation and invest in identity politics. ••

interim government had adjusted the previous curriculum, printed, and distributed books to the schools in the opposition-controlled areas. However, they had faced different challenges including scarcity of financial resources, instability and difficult security conditions, lack of accreditation, absence of sufficient and qualified staff, inability to continue higher education, and the continuation of military operations. Additionally, thousands of children in the besieged areas suffer from malnutrition and lack of security, which increases psychological shocks and hinders educational process (Save the Children, 2017).

In the Autonomous Administration areas, different curriculums have been designed that use mainly the Kurdish language. In 2016, the newly introduced methods and the curriculum were introduced to about 600 schools, with Arabic as a second language to be taught for children at the fourth-grade level and above. The Autonomous Administration authority is facing several related challenges including the lack of qualified staff,

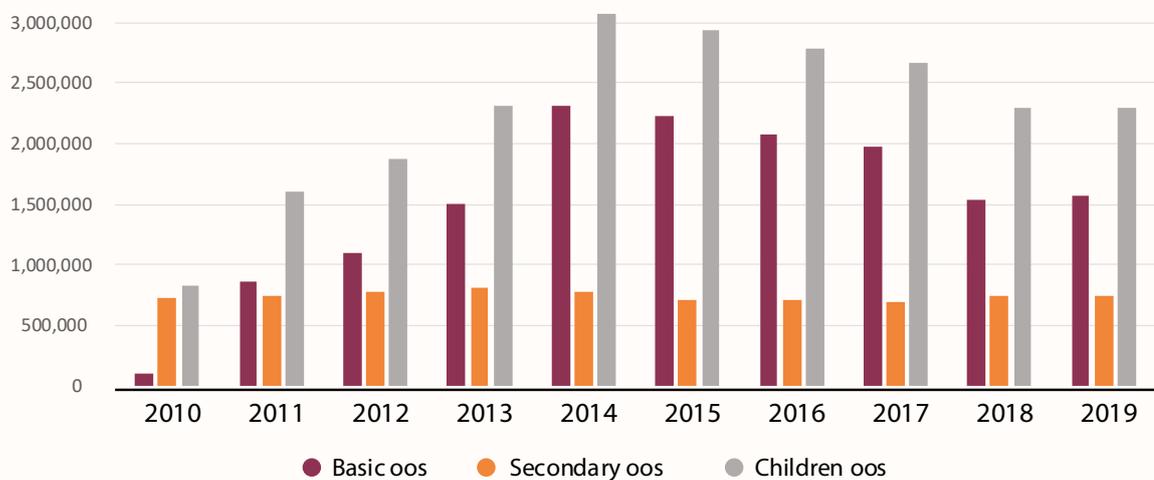
in addition to the accreditation of the issued certificates from schools and universities in these areas. Overall, the educational system inside Syria has witnessed a loss of comprehensive, rigorous and consistent stewardship as it has fragmented as an institution across the country.

The Ministry of Education (MoE) has continued its activities in government-controlled areas through the Education Directorates, and it pays the salaries of teachers and administrative staff in part of the non-governmental controlled area. However, the fragmentation of education system has resulted in the establishment of new curricula and promotion of values and attitudes that are serving the ideologies of the different fighting parties.

3.5.1 Accessibility

The Syrian population continues to lose millions of years of schooling as around 2.3 million children (aged 5-17) are Out of School in 2019 number (Figure 51). The reduction in number of out-of-school children from its peak of 3.1 million

Figure 51: School-aged out-of-school (OOS) numbers by basic and secondary education (2011-2019)

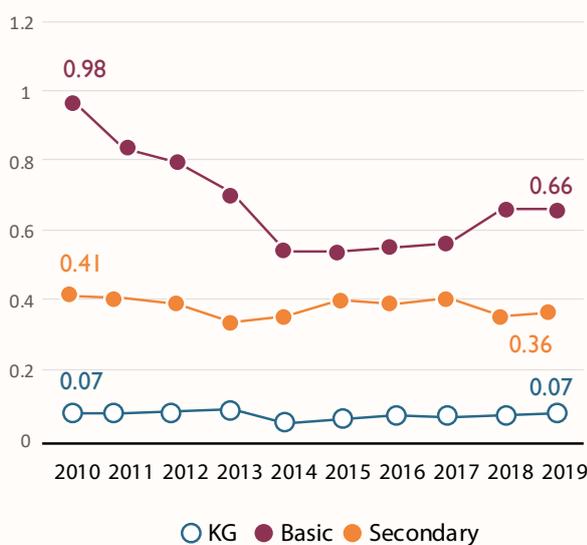


Source: MoE, and SCPR estimations and projections.

in 2014 shows a slight improvement. The out-of-school figure for those in primary education climbed to 2.3 million in 2014 and reduced gradually to 1.5 million in 2019 (SCPR, 2019). Enrolment in basic education at the national level reached its lowest point in 2014 at 54 per cent. This has seen a positive gradual increase since this point – up slightly to 56 per cent in 2017, to 66 per cent in 2018, and declining slightly to 65 per cent in 2019.

As the figures below show, the number of out of secondary school children remained stable during the conflict owing to the low enrolment rate before the conflict. Secondary school enrolment rates remained fairly consistent during the conflict, at around 40 per cent. This value dropped to 35 per cent in 2018, and up marginally to 36 per cent in 2019. The enrolment of children in early education/KG (ages 3-5 years) continued throughout the conflict at a rate of roughly 7 per cent.

Figure 52: Enrolment rates by age group (early, basic, secondary) (2011-2019)



Source: MoE, and SCPR estimations and projections.

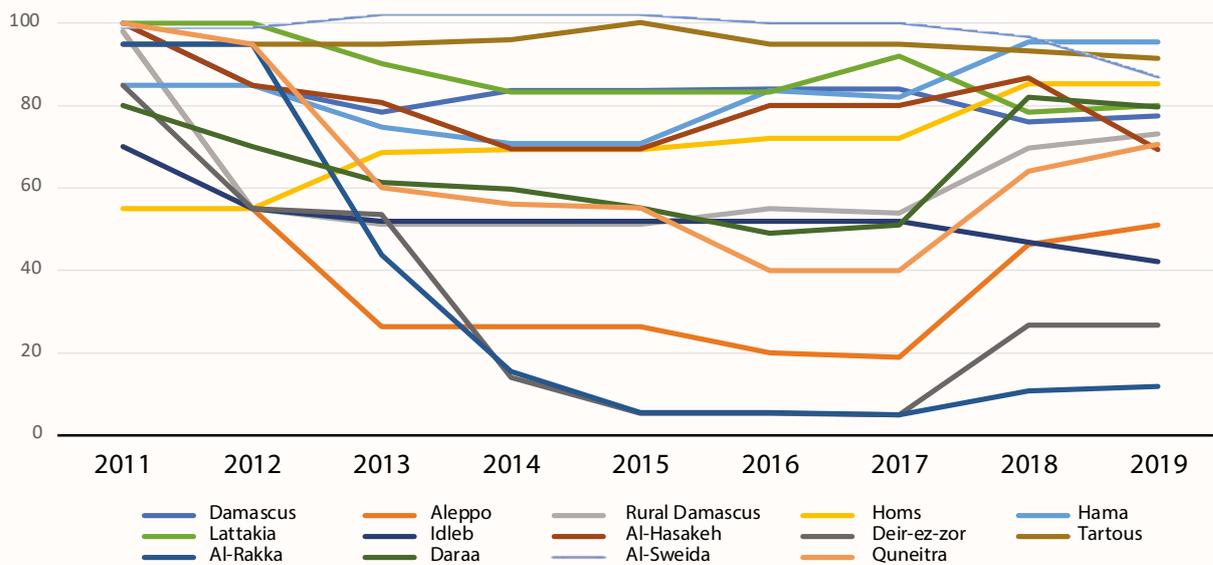
Considerable disparities across regions exist in the number of out-of-school children. In relatively stable government-controlled areas, schools were not notably damaged. Consequently, the enrolment rate for basic education (including IDPs) was 95 per cent in Hama, 91 per cent in Tartous and 87 per cent in As-Sweida in 2019. However, there are slightly low enrolment rates in Damascus and Latakia, 78 and 80 per cent respectively, indicating that even relatively stable areas are seeing large variance in accessibility. Those areas that were most affected by the conflict have witnessed the biggest decreases in enrolment. During 2019 the enrolment rates increased substantially in Deir-ezzor, Aleppo, Daraa, and Quneitra and dropped in Idlib and Al-Hasakeh (Figure 53).

In the areas newly controlled by the government in 2018-2019 including Daraa, Eastern Ghouta, North Homs, Deir-ezzor, and Ar-Raqqa the situation is alarming. These areas are face serious challenges including substantial damage to infrastructure, huge demand for education from an under-educated population. The increase in enrolment rates in these regions is an important step, but the process to counter the impact of the conflict and enhance social integration is equally important. Returnees have faced challenges finding places for their children in schools that are already overloaded in addition to the overall difficult economic situation. Another challenge in these regions is that the civil and community organizations previously responsible for the provision and administration of education services have disappeared.

3.5.2 Quality of Education

While the majority of evidence available, mainly from the MoE Education Information System, focuses on enrolment and estimated out-of-school children, there are serious concerns about the quality of education and children’s learning ability in Syria. Education quality is severely

Figure 53: Basic education School-age attendance rate (%) by governorates (2011-2019)



Source: MoE, and SCPR estimations and projections.

compromised demonstrating the need for continued intervention to improve quality.

Due to a shortage of habitable classrooms, about one million children are accessing schools in double or more shifts, reducing learning hours. Additional challenges to education quality include high pupil to teacher ratio and a lack of systematic teacher training, especially on the new curriculum and textbooks. The loss of human capital has led to a lack of qualified teachers which has had a detrimental effect on the quality of education.

The average number of years of schooling has dropped significantly since the start of the conflict. The estimated lost years of primary schooling in 2019 was 1.47 million years. The overall loss in basic education during 2011-2019 reached 25.5 million schooling years compared to the counterfactual scenario (had the conflict not occurred). The overall loss in the years of schooling for all educational levels reached about

46 million years between 2011 and 2019, and the estimated cost of this loss is estimated at USD 34.6 billion. Figure 54 shows that this loss, based on the counterfactual methodology, resulted in a reduction of average years of schooling from 6.88 years in 2010 to 3.14 years in 2019 (SCPR, 2019).

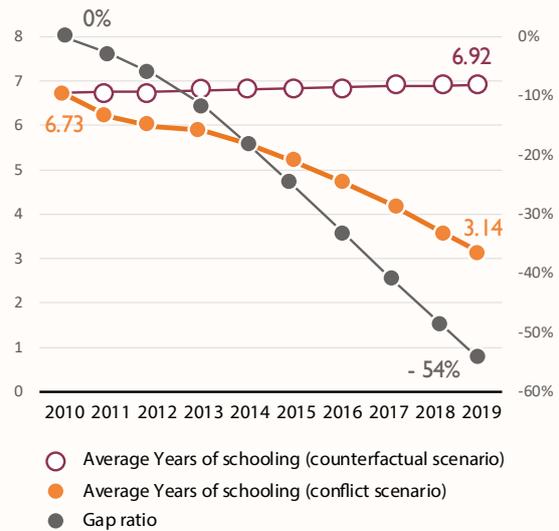
The number of teachers available for basic education dropped substantially by 31 per cent from 221,000 in 2010 to 151,000 in 2018 (Figure 55). The drop among male teachers is more pronounced. Teachers are more readily available

•• The conflict led to a reduction of average years of schooling from 6.88 years in 2010 to 3.14 years in 2019. ••

in cities and in the government-controlled areas as many of them moved from conflict-affected regions. The loss of teachers occurred due to several reasons including displacement and migration, poverty, other job opportunities with NGOs or UN organizations that pay higher rates, as well as mortality, kidnapping, and other violent incidents that targeted directly or indirectly the education facilities, and teachers leaving the education sector to engage in the conflict.

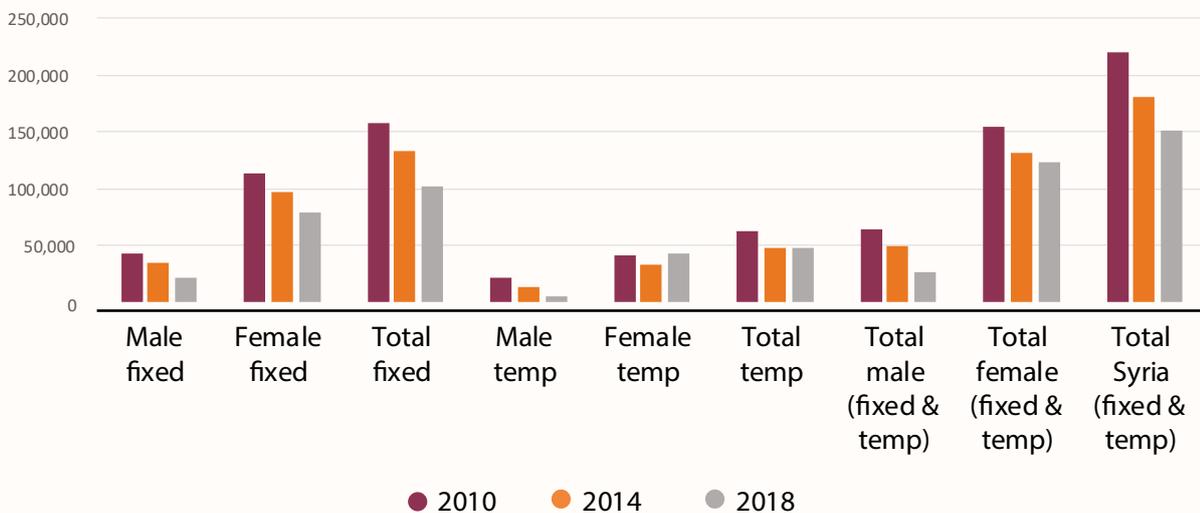
The disparities of teachers' availability and pressure of security, social and economic conflict, in addition to the lack of proper training and capacity building for teachers during the conflict has negatively affected the ability of teachers to perform effectively. The reduction in human resources is not restricted to the teachers, as the education institutions have also witnessed a drain in the trained administration staff which also negatively affects schools' ability to provide adequate education.

Figure 54: Average Years of Schooling (2011-2019)



Source: SCPR estimations and projections based on MoE data and Labor Force surveys

Figure 55: Basic education teachers: Fixed and temporary by gender (2010, 2014, 2018)



Source: SCPR estimations based on MoE data.

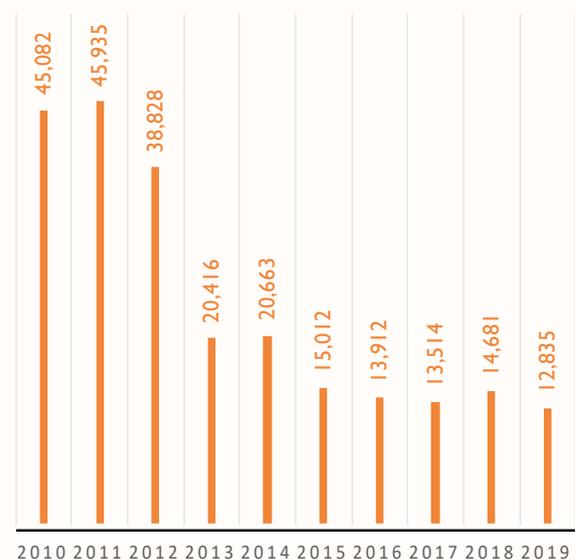
3.5.3 Investment in Education

Public expenditure on education dropped by 71.5 per cent between 2010 and 2019. During the conflict, public policy priorities reallocated funds away from social services and towards military expenditure, fuel and food. Moreover, the conflict resulted in a lack of access to many regions, with the MoE unable to access or invest in many schools in out of the government control areas. Figure 56 shows the investment in education decreased in line with the drop in Syria's GDP; it also shows that the ratio of education expenditure was 3.3 per cent in 2010 before the conflict, actually rose to 4 per cent in 2012, and has since dropped to 2.6 per cent in 2019. This data, however, does not include opposition-controlled areas or the Autonomous Administered area's budget for education. The government continued to pay salaries to employees in the education system, however this does not reflect total expenditure in these areas. In North Aleppo, teacher salaries are paid by the Turkish government, and in Autonomous Administered areas teachers who deliver the new curriculum are paid from this source. Therefore, we can see that there are a number of different systems of education with different budgets and administrations, making it difficult to accurately capture the total expenditure in education across all of Syria.

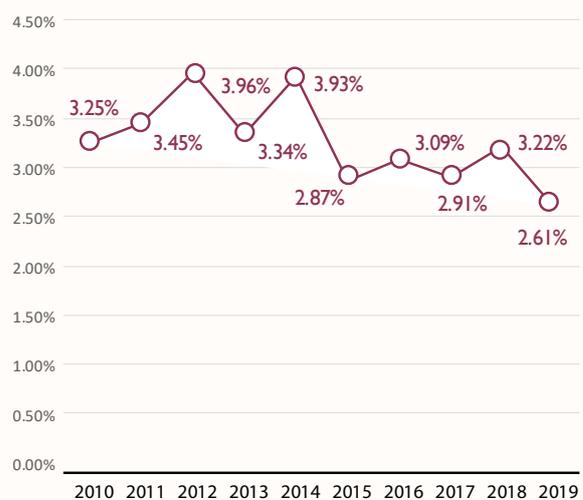
By fracturing the education system, the conflict created a lack of consistency in the curriculum across Syria. The 2018 Humanitarian Needs Overview highlighted six different curricula currently being used in schools in Syria. In opposition-held areas, a modified version of the national GoS MoE curriculum is used. In ISIS-controlled areas, a system has been established to train children and promote religious extremism. In Autonomous Administration areas, schools use the Kurdish curriculum for grades 1-9. These different curricula with different implicit values and ideologies may have long-term

Figure 56: Public expenditure on education 2010-2019:

(a) in millions SYP constant prices of 2000



(b) Ratio of GDP



Source: SCPR estimations based on MoE data.

impacts on identity and social cohesion in Syria.

Overall, the deprivation of educational opportunities is affecting an entire generation of children who are being denied of their right and ability to gain and develop the capacities and resources they need for a productive future. As the education sector serves as a medium for social cohesion and interaction, the loss of education mediums for children may also have a larger impact on the society. The increase in school age non-attendance rate has negatively affected other functions of schooling, such as cultural innovation and socialization, impacting social cohesion and aggravating social exclusion and polarization within society.

3.6 Health Status

The rampant violence unleashed in wartime has had profound and immediate impacts on the fabric of life in Syria. This section investigates the destruction of Syria’s health system and the enormous and uneven health burden caused by the conflict.

3.6.1 Collective Punishment

This report identifies collective punishment as a core tactic used during the conflict which inflicted stricter punishments on certain groups, communities and regions. As the areas outside of governmental control have suffered the greatest burden of health services destruction and that these governorates have worse health outcomes and systems. Addressing the roots of Syria’s health inequalities will enable a more

comprehensive dialogue on the conflict’s future impact on population health.

Since the beginning of the Syrian conflict, collective punishment was used by different war actors against politically unsympathetic populations. Siege was a defining military strategy to force populations into submission through the blockage of food, medicines and other daily essential items. Syrians living in areas with active conflict, or in ceasefire agreements, also endured tremendous hardships with accessing public, social and health services.

In violation of medical neutrality, the targeting of public hospitals and HCWs became a defining feature in the Syrian war strategy. According to Physician for Human Rights (PHR), between 2011-March 2020, at least 923 medical professionals have been killed in Syria. From March 2011 through to March 2020, PHR has corroborated 595 attacks on at least 350 separate medical facilities (PHR, 2020). These systematic attacks on health are described as the weaponization of healthcare, with people’s need and right to health being intentionally deprived (Fouad, et al., 2017).

3.6.2 Mortality

As explored earlier in the demographic section of this report, the increase in mortality among different population groups is one of the most catastrophic impacts of the conflict. Our data reveal a rise in the crude death rate from 4.4 per thousand in 2010 to 10.9 per thousand in

Table 4: Total direct and indirect conflict-related deaths (2011-2019)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total (2011-2019)
Conflict related direct deaths	5,458	46,783	93,567	116,959	102,275	81,796	62,236	42,243	18,635	569951
Conflict related total deaths (direct and indirect)	6,431	55,132	110,265	137,831	120,527	96,393	73,343	49,781	21,960	671663

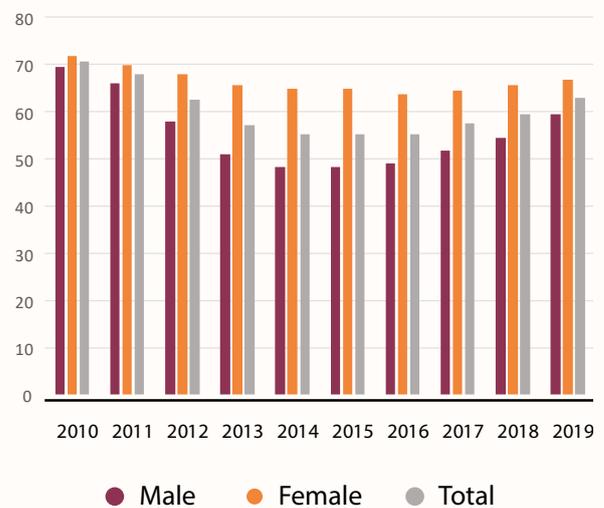
Source: Population survey 2014 and SCPDR estimations, projections of 2015-2019 based on ACLED, UNOCHA and SCPDR.

•• The projected conflict-related deaths until 2019 is approximately 570,000 deaths, while the projected indirect conflict related death is approximately 102,000. These figures illustrate one key dimension of the Syrian catastrophe. ••

2014. The estimated data for 2016-2019 reflect a decline, with crude death rates falling to 9.9 per thousand in 2017 and 7 per thousand in 2019. Although the period 2016-2019 witnessed a decline of conflict-related deaths, the projected conflict-related deaths until 2019 is approximately 570,000 deaths, while the projected indirect conflict related death is approximately 102,000. These figures illustrate one key dimension of the Syrian catastrophe.

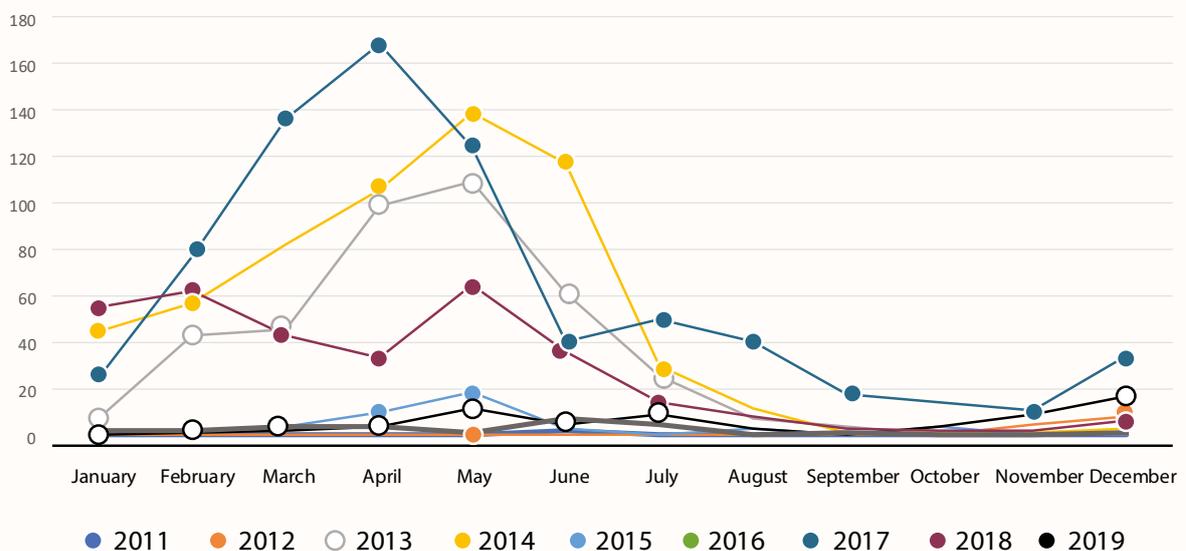
The 2014 Population Status Survey results show catastrophic trends in mortality distribution among age and gender groups. The disparities in life expectancy between men and women in Syria reached 16.6 years in 2014, reflecting the greatest gender disparity expectancy ever recorded. The disparity reduced to 13 and 7 years in 2017 and 2019 respectively. As in 2019, men life expectancy at birth is 59.4 years, and for women 66.9 years (Figure 57).

Figure 57: Life expectancy by gender (2010-2019)



Source: Population survey 2014 and SCPR estimations, 2019

Figure 58: Measles Cases in Syria (2011-2018)



Source: EWARS, WHO 2020.

Male mortality accounts for 82.2 percent of Syria's total conflict-related deaths, the majority of which were men of working age. Mortality among elderly men and male children is considerably lower. This is a reflection of young men's direct engagement in active fighting. Young men's livelihoods are greatly compromised due to both voluntary and forced military recruitment. Unarmed men have been repeatedly targeted by violence outside the frontline, including detention, kidnapping, torture and other manifestations of revenge activities implemented by military forces of the conflict. Kidnapping and forced disappearance represent exceptionally tragic consequences of the ways in which war actors have chosen to assert their power and control over Syrian communities.

3.6.3 Morbidity

The weaponization of healthcare made the Syrian population vulnerable to disease. Vaccination cold rooms were targeted and destroyed, (WHO, 2017) and children in many opposition-controlled areas were deprived of immunizations. Low immunization rates, poor sanitation and environmental conditions, and high population densities are key risk factors of poor health outcomes (Sami et al, 2014). According to WHO, vaccination coverage estimates in 2010 for polio was estimated to be 83 per cent; in 2012 rates dropped to 47 per cent, and in 2018 they increased slightly to reach 53 per cent (WHO, 2020). In 2018, DPT3 (diphtheria-tetanus-pertussis) coverage was 47 per cent, Measles 1 coverage rate was 63 per cent, and Hib3 (haemophilus influenza type B) coverage rate was 48 per cent (WHO, 2018).

Many communicable diseases outbreaks occurred during the conflict. In 2013, 37 cases of wild poliovirus type 1 (WPV1) were detected in Deir-ezzor. A coordinated, multi-country response of OPV (Oral Polio Vaccine) was initiated in Syria, and among Syrian refugees and host country

populations to compensate for the slump in vaccination coverage. 1.6 million children in Syria were vaccinated against polio, measles, mumps and rubella. Combined with low immunization coverage, the weakening of the health system led to 74 cases of circulating mutated poliovirus type-2 (cVDPV2) confirmed in Syria in 2017, 71 from Deir-ezzor governorate, 2 from Ar-Raqqa and 1 Homs. The outbreak was officially declared over in November 2018 after review by specialized joint mission from WHO and UNICEF (OBRA mission)³⁰. With public health infrastructure still compromised, immunization rates low, and poor living conditions, the threat of future outbreaks and export of WPV and cVDPV2 remain high.

As Figure 58 shows, cases of measles have increased since 2011, with 594 reported cases in 2014 and 738 cases in 2017. A total of 329 cases of measles were reported in 2018, dropping significantly to only 27 cases in 2019 (WHO, 2020). The reported cases are defined as laboratory confirmed, epidemiologically linked, and clinical cases as reported to the World Health Organization.

According to WHO Early Warning Alert and Response System (EWARS), during 2012-2019 The most prevalent communicable diseases are influenza-like illness (ILI) followed by acute diarrhea (WHO, EWARS, 2012-2019). During November 2018, a total of 845 new cases of Acute Bloody Diarrhea (ABD) were reported, of which 171 were reported in Ar-Raqqa, 410 in Al-Hasakeh and 264 in Deir-ezzor. The number of incident cases recorded continues to show an overall decline.

In the Northeast region, the number of new typhoid cases reported across the three governorates has also reduced, from approximately 3,430 in October to 2,595 in November 2018. This outbreak is thought to be due to the consumption of unsafe water and follows the ABD outbreak in Deir-ezzor Governorate (OCHA, 2018b). Conditions across

many IDP sites are already dire and poor weather and heavy rains represent an increased risk of outbreaks of water-borne diseases including typhoid and ABD.

In January 2018 approximately 1,700 new cases of leishmaniasis were reported on average each week across North eastern governorates. By October 2018 this had decreased to approximately 500 new cases. During November 2018, however, caseloads increased to an average of 1,135 new cases on average per week, 70 per cent of which were reported in Deir-ezzor Governorate, marking a dramatic increase in cases since October (OCHA, 2018b). In the first half of December 2018, 2004 leishmaniasis cases were reported by WHO EWARS, mostly from Deir-ezzor and Aleppo (WHO, EWARS week#50, 2018). In the last three weeks of December 2019, Deir-ezzor governorate reported 3,900 cases of suspected cutaneous leishmaniasis, and the trend remains upward (WHO, EWARS week#52, 2019).

The data and indicators on non-communicable diseases are patchy as most data-collecting organizations concentrate on communicable diseases. This report highlights two key non-communicable conditions: disability and mental health.

A survey conducted by the Humanitarian Needs Assessment Program across Syria, which included around 25,000 households, concluded that 12.1 per cent of the population suffers from difficulties in at least of one of the six functional domains: seeing, hearing, walking, cognition, self-care, and communication (HNAP, 2019). The survey used the Washington Group on Disability Statistics framework where the focus is on functioning in basic actions in contrast to approaches that are based on a medical model which focus on impairments or bodily functions³¹. The disability rate among host communities at the national level is 11.1 per cent while the rates among IDPS returnees are 14.7 per cent and 9.6 per cent respectively (HNAP, 2018). Another

2016 study by HNAP which aggregated data from over 68,000 Syrian refugees and IDPs in Syria, Jordan and Lebanon, identified 25,000 persons with injuries of which 67 per cent of total injuries were due to the conflict. 20 per cent were amongst women and 16 per cent in children. Among those injured by the conflict, 53 per cent were due to the use of explosives, of which 15 per cent had undergone amputation. An estimated 10 per cent had peripheral nerve damage and 5 per cent were paralyzed. 89 per cent of people with injuries due to the use of explosive weapons had physical impairments and 80 per cent also had high psychological distress (HNAP, 2016).

Disability, being a long-term issue, continues to affect individuals, households, communities and countries for years long after the exposure. People with disabilities have lower lifetime earning potential and may require additional support from both family and public services. Individuals who suffer from war-related disabilities will require prosthetics and intensive physiotherapy and are likely to suffer from chronic pain co-morbidities. Owing to the prevalence of disability in Syria as a result of the conflict, these issues will place additional strains on health services and propagate vulnerability in the future unless mitigated against.

In terms of mental health, the WHO estimates that one in five Syrians has moderate mental health issues, and 1 in 30 is at risk of developing severe or acute mental health needs (WHO, 2017). A new survey conducted and evaluated by the AOK's Scientific Service in Germany for the Syrian and Afghan and Iraqi refugees reported that 74.7 per cent of experiences of personal violence occurred before or during their migration. More than 60 per cent of people were traumatized by war experiences, with more than 40 per cent direct attacks by military forces. More than one in three people have had to cope with the disappearance or murder of relatives and close people. One in five was tortured and nearly 16 per cent were in camps or in solitary

confinement, or witnessing killing, ill-treatment and sexual violence. More than six per cent were raped (Schröder et al, 2018). Children, as the most vulnerable group, suffer persistent feelings of fear of being surrounded by violence, frequent nightmares and sleep difficulty and children's behavior become more aggressive; the children expressed how their high levels of stress manifest in physical symptoms such as headaches, chest pain, and difficulty breathing (Save The Children, 2017). The lack of comprehensive surveys on disability and mental health illness indicates an underestimation of the severe problem that will stay with the society on the long term.

3.6.4 Health System

Conflict, destruction of health infrastructure, and subsequent fragmentation across the country through different administrations have significantly weakened Syria's health system. This has been reflected in hampered access to services and medications, pervasive discrimination, weakened healthcare capacity and destroyed health infrastructure, including the targeting of hospitals and Healthcare Workers (HCWs) and the damaging of the pharmaceutical industry.

During the conflict, the mass destruction of public and private hospitals and health centers prevented the provision of public services. This led to the mass exodus of HCWs. The pervasive targeting of healthcare forced health services underground in unmarked locations - primarily in opposition areas and areas under siege. Even these underground field hospitals were systematically targeted. This is a defining feature of the seven-year siege of Eastern Ghouta, where mass suffering was endured due to the lack of blood, antibiotics, and antiseptics compounded with the targeting of healthcare and restrictions on medical evacuations.

An assessment by the Ministry of Health (MoH) and WHO looked at the functionality of

public hospitals and assessed them at three levels: fully functioning, partially functioning, or not functioning (WHO, 2018). By the end of September 2018, and out of the 111 assessed public hospitals, 57 were reported fully functioning (51 per cent), 28 hospitals were reported partially functioning including shortages of staff, equipment, medicines or damage of the building in some cases (25 per cent), while 26 were reported non-functioning (24 per cent). In terms of PHCs functionality, in June 2018, 829 out of 1,807 assessed public health centers were reported fully functioning (46 per cent), 360 partially functioning (20 per cent), and 618 non-functioning (34 per cent) (WHO, 2018). The damaged and non-functioning public health facilities are concentrated in current and previous out of government-controlled areas especially in Idleb, Deir-ezzor, Rural Damascus, Aleppo, Homs, Daraa, and Ar-Raqqa.

The availability of medical staff deteriorated due to the violations against them in terms of targeting, killing and kidnapping, in addition to the forced displacement of many within the country or outside it. This availability has varied significantly between governorates. Quneitra, Ar-Raqqa, Aleppo, Idleb, and Daraa have witnessed the lowest percentage of medical staff availability; whereas the highest percentages were in Tartous, Latakia, As-Sweida, and Damascus.

●● Conflict, destruction of health infrastructure, and subsequent fragmentation across the country through different administrations have significantly weakened Syria's health system. ●●

The availability of medicine dramatically declined during the conflict reflecting a deterioration in the quality and effectiveness of health services. The pharmaceutical industry survey shows that the proportion of locally produced medicine as a percentage of all medicines available fell from 93 per cent in 2011 to 38 per cent in 2016 (CBS, Statistical Abstract 2011-2017). The unavailability of medicines is also due to the sharp decline in the purchasing power for the majority of people on the demand side and, the destruction in the local pharmaceutical industries and necessary infrastructure and sanctions which have blocked or increased the cost of imports of equipment and components required to produce pharmaceuticals. Many regions were also intentionally deprived of access to medical supplies and support as part of war tactics. The lack of medicine has severe adverse implications for people with chronic diseases such as diabetes, high blood pressure, and kidney disease.

3.6.5 Social Determinants of Health

Health in Syria is deeply rooted in complex socio-political contexts. The extraordinary health disparities which emerged due to war strategies, in violation of international humanitarian law, as well as weak and violent forms of governance in certain communities have radically disrupted and transformed the social determinants of health in Syria. Social determinants of health are known to shift in conflict settings, as structural elements of society have profound impacts on health (Marmot and Wilkinson, 2006). During the conflict, the key structural drivers of health status have been institutional discrimination, social capital, living conditions and conflict economies. These findings indicate that the breakdown in institutions created life-threatening forms of institutional discrimination and societal fragmentation. The transformation of power has produced new institutions where discrimination is the norm and redistributed resources and power favor the special interest groups. War-associated policies include murder,

kidnapping, robbery, smuggling, royalties and the exploitation of women and children (SCPR, 2019).

War violence can continue to control societies long after offensive operations cease (Cohn, 2012). In these ways, post-war populations are extremely vulnerable to enduring new forms of institutionalized violence. Understanding these current and future trends in violence and their impact pathways is critical to protecting and sustaining the lives and wellbeing of Syria's current population and future generations. Future impact projections suggest that in post-conflict Syria, these trends in mortality will shift. Women and children are known to carry the longer-term burden of conflict mortality post-conflict time. Driven by a nexus of social, economic, and health drivers, female mortality often increases even as active conflict declines and ceases.

Future indirect deaths and health burden will increase even after the war has finished owing to the deterioration of the health system, living conditions, food availability education, and environmental conditions, in addition to the increase of poverty, the increase in marginalized groups, the large number of injured and handicapped, and psychological trauma.

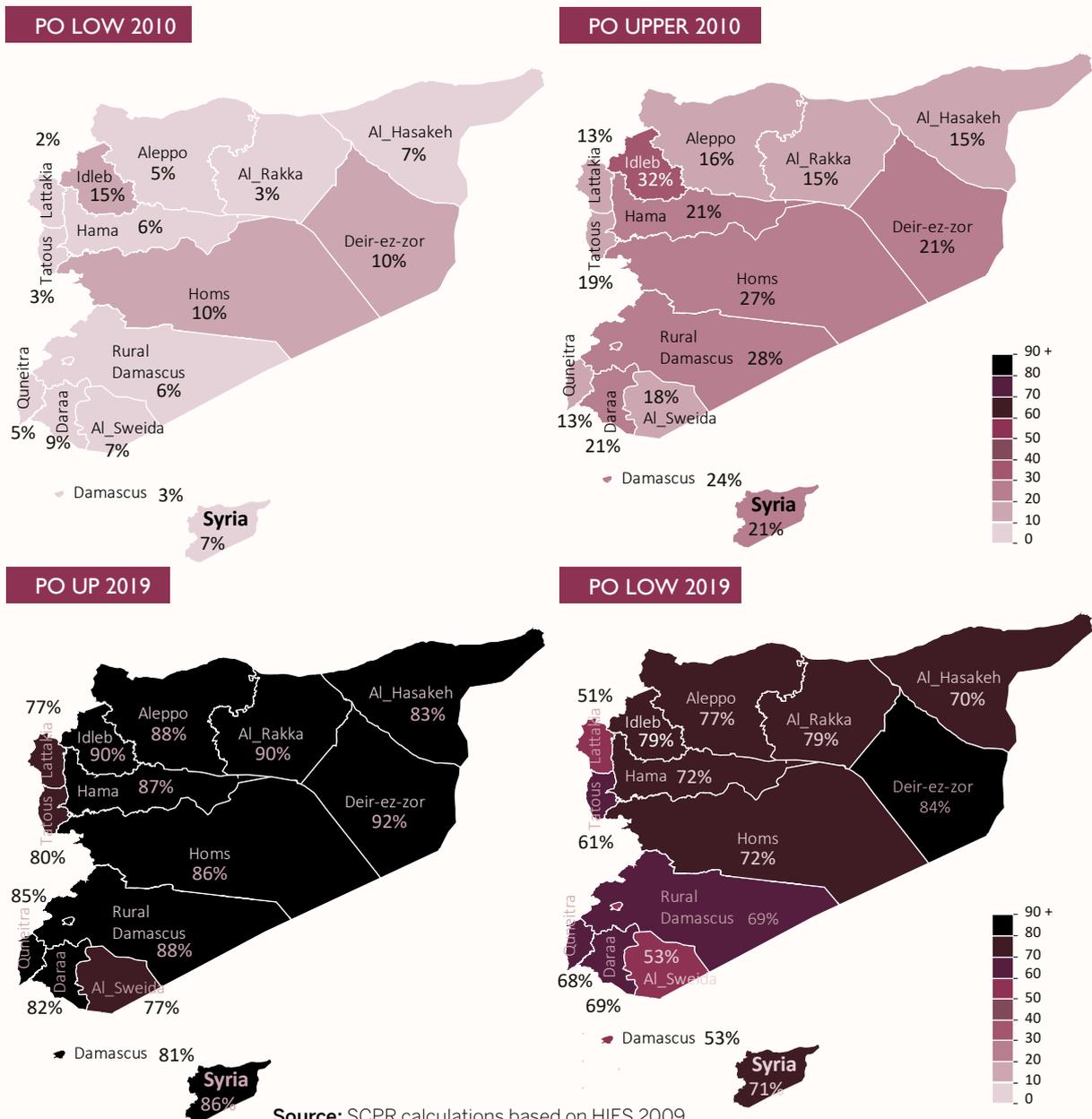
Rampant injustices across Syria clearly affected health systems and outcomes of populations. With certain governorates still devoid of functioning hospitals, social cohesion disrupted, and insecurity omnipresent, the future of health status across Syria remains plagued with challenges. This report suggests that health system improvement in post-conflict Syria will require intensive and highly contextualized initiatives. The future healthy policies need to address these injustices with a transformation of the current conflict and fragmented health system(s) towards accessibility, effectiveness, and fairness. The profound impact of disrupted social networks, community distrust, sense of insecurity, and lawlessness on the demise of Syria's health sector should be at the core of health system reconstruction discourses.

3.7 POVERTY

The incidence and severity of poverty in Syria are estimated using the national poverty lines across governorates. The projections used in this report are based on the Household Income and Expenditure Surveys (HIES), through a

micro-simulation technique based on SCPR estimations of private consumption per capita and the CPI per governorates during 2010-2019. These projections are slightly different from the previous reports as this poverty estimation does not use the counterfactual (if the conflict had not occurred) methodology.

Figure 59: Overall and extreme poverty in Syria 2010



Source: SCPR calculations based on HIES 2009

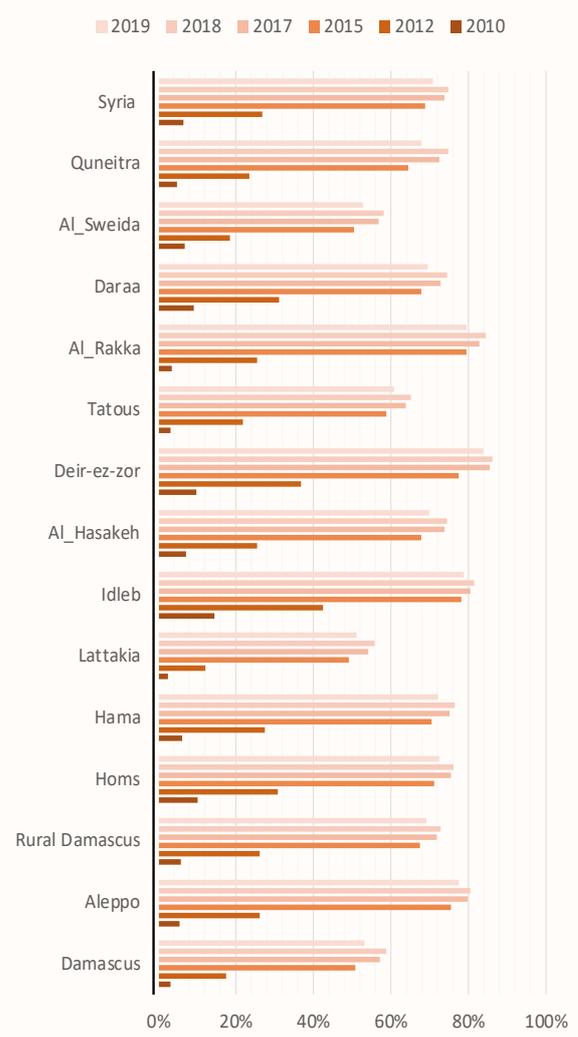
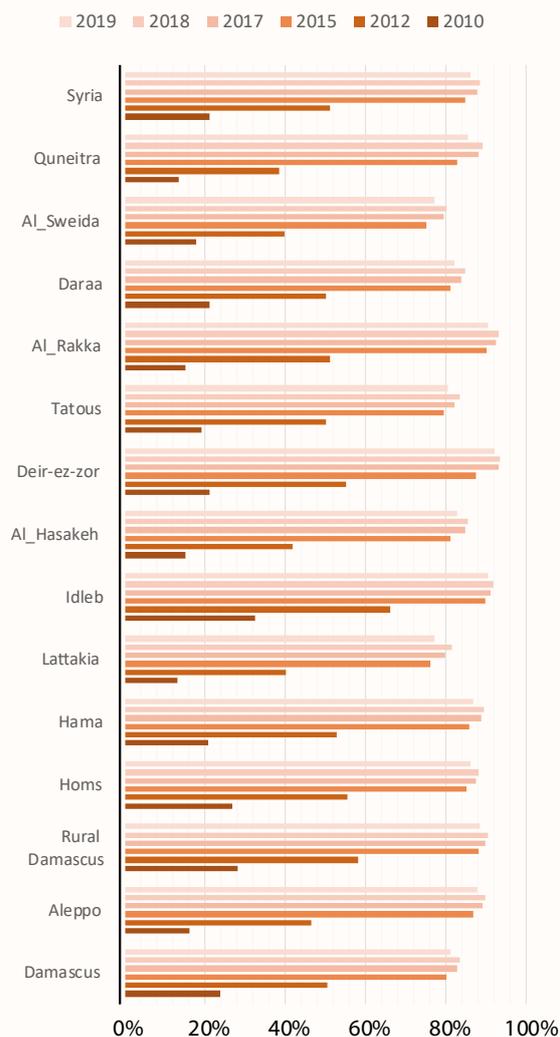
Before the conflict, although the average poverty incidence was not extremely high, the overall poverty rate in Syria increased between 2004 and 2009 as real per capita expenditure declined annually by 2 per cent. However, the GDP grew during the same period on average by 4.4 per cent. This was clear evidence that the growth was not pro-poor and the economic 'reform' policies negatively the vulnerable people

of Syria. Furthermore, the country witnessed high disparities in terms of poverty across governorates and urban/rural areas, which reflected the imbalance of the development strategy.

During the conflict Syrians have suffered unprecedented levels of poverty and deprivation. The contraction of the GDP per capita continued

Figure 60: Overall poverty incidence in Syria by governorate (2010, 2012, 2015, 2017-2019)

Figure 61: Extreme poverty incidence in Syria by governorate (2010, 2012, 2015, 2017-2019)



Source: SCPR estimations based on HIES 2009, CBS

except in 2019 (as discussed in the economic section), and conflict continues across the country causing more death and destruction. The conflict economy aggravated the suffering of people by using sources of income and access to basic goods and services as a tool of war. A 'conflict elite' began to emerge and flourish at the expense of the majority of Syrians and expanded the inequalities in both capabilities and opportunities.

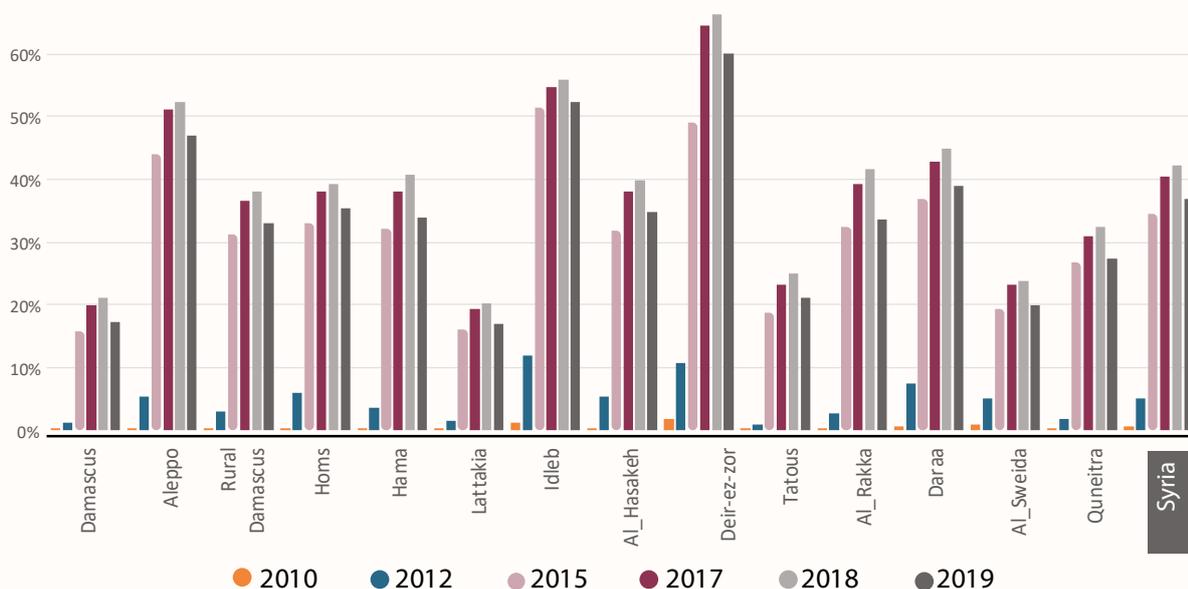
The loss of jobs and wealth was compounded by an increase in cost of living, the decline of financial or physical accessibility to basic goods and services, and the deterioration of formal and informal social security mechanisms. Civil society and humanitarian agencies attempted to reduce the severity of the social insecurity; however, this was extremely difficult given that targeting people, wealth, social relations, social services, and solidarity were all explicit tactics used in the conflict.

Since 2014, government economic policies adapted more neoliberal policies, through a

dramatic increase of prices of bread and other basic food items and oil derivatives in addition to the raising of fees and indirect taxes. These policies continued in 2015 and 2016 and to a less extent in 2017. By the end of 2019, most Syrians had become trapped in poverty, suffering from multidimensional deprivation, not only just money metric deprivation.

Given the contraction of the economy across the governorates, assuming no change in expenditure distribution, and taking into consideration the change in structure of the prices between governorates compared to 2009, it is estimated that the overall poverty rate reached its peak at 89.4 per cent by the end of 2016. The poverty rate slightly dropped in 2019 to 86 per cent due to positive economic growth, yet the last quarter of 2019 witnessed a surge in the prices that again increased the poverty rates. The average overall poverty line for a household equals on average SYP 280,000 per month at the end of 2019. At the regional level, the governorates which suffered intensive conflict, already has historically higher historical rates of poverty, and continue to suffer

Figure 62: Abject poverty incidence in Syria by governorate (2010, 2012, 2015, 2017-2019)



Source: SCPR estimations based on HIES 2009, CBS

the most from poverty. Overall, all governorates had 77 per cent or higher rates of poverty (Figure 60).

The challenge of living in poverty for a long time is not only related to poverty incidence, as the poverty gap (the relative difference between average expenditure of poor people and the poverty line) increased substantially. In the case of overall poverty, the poverty gap increased from 4 per cent in 2010 to 14.5 percent 2012 and it reached its peak at 44.5 per cent in 2016. This dropped slightly to 40 per cent in 2019, which means that the average expenditure of poor people in 2019 is less two-third of the overall poverty line.

Extreme poverty is defined by using the lower national poverty line. It is estimated that 71 per cent of the population was living in extreme poverty by the end of 2019 compared to 75 per cent in 2018, and 77 per cent in 2016. The estimated extreme poverty line per household per month on average equals SYP 203,000. The most affected by extreme poverty are unable to meet the very basic needs to survive (Figure 61).

Abject poverty as a proxy for deprivation of food was less than 1 per cent in Syria 2010; during the conflict the Syrians began to experience widespread abject poverty - in 2012 it reached 5.1 per cent, and then rose exponentially to 44.9 per cent 2016, and then reduced somewhat to 37 per cent in 2019 (Figure 62). The increase in food prices in different regions created extreme barriers for people to access enough food to meet recommended caloric intake amounts. The years 2016 to 2019 in particular were marked by serious and widespread deprivation. This is a process of de-humanizing and de-empowering of people that continues and will have a major impact on future generations.

The poverty of most Syrians and the length and severity of their deprivation is evidence of the catastrophic influence of the conflict. The impacts of the collapse of real income

and expenditure have not been homogenous across Syria; inequalities surged across regions, political affiliation, gender, age, displacement status, cultural identities, and socioeconomic backgrounds. The subjugating powers played direct roles in depriving the society and facilitating the creation of the conflict elite. Furthermore, the government withdrew subsidies from many basic goods, increased the cost on producers and consumers and aggravated poverty to add a burden to the conflict situations.

Another aspect of injustice is the dependency experienced by the Syrian people when having to seek support to meet their basic needs. Humanitarian agencies and civil society have an enormous role to play in mitigating suffering and to provide support and services in ways that uphold the respect and dignity of their beneficiaries. However, these organizations do not have the capacity to entirely replace the vacuum left by the absence of social security. Finally, the strategy to overcome chronic poverty in Syria needs to address the challenges of the conflict continuation and its foundations that have been increasingly rooted during the conflict years.

●● The poverty gap increased from 4 per cent in 2010 to 40 per cent in 2019, which means that the average expenditure of poor people in 2019 is less two-third of the overall poverty line. ●●

3.8 FOOD INSECURITY

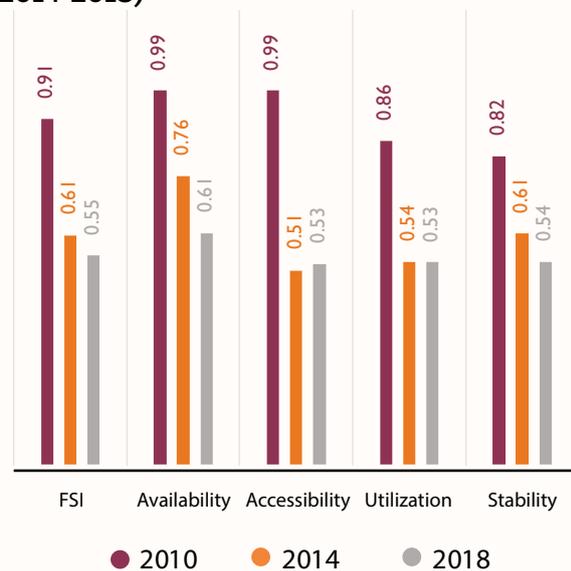
The inability to access nutritious food due to high levels of poverty and deprivation, unjust public policies, discriminatory institutions, and the prevalence of violent economy, is one of the most fearful manifestations of injustice in the twenty-first century, where food resources are wasted elsewhere in the world dreadfully. Inequality and injustice, not unavailability, are the real drivers of food insecurity (Roberts, 2015).

The results of SCPR study on food security in Syria in 2019 (SCPR, 2019) uses the composite Food Security Index (FSI) to refer to fair levels of food security before the Syrian conflict. The FSI has four components: abundance, access, utilization and stability/sustainability. Both abundance and access components of FSI index were at satisfactory levels, while utilization, and stability or sustainability were lower due to poverty and unsustainable use of natural resources. Figure 63 shows a sharp decline in food security during the conflict by about 34 per cent between 2010 and 2014. The worst-performing sub-index was access to food, at about 48 per cent which was caused by sieges, restrictions on movement and declining purchasing power. This was followed by a decrease in utilization, stability and availability of about 37 per cent, 25 per cent and 23 per cent respectively. In 2018, the index decreased by about 8 per cent compared to 2014. The access to food index improved slightly by about 3 per

•• The worst-performing FSI sub-index was access to food, at about 48 per cent which was caused by sieges, restrictions on movement and declining purchasing power. ••

cent due to the decrease in siege areas and the military operations, but the availability, stability and utilization indexes decreased by 20 per cent, 14 per cent and 1 per cent respectively.

Figure 63: Food Security Index (FSI) and its four components at the national level (2010-2014-2018)

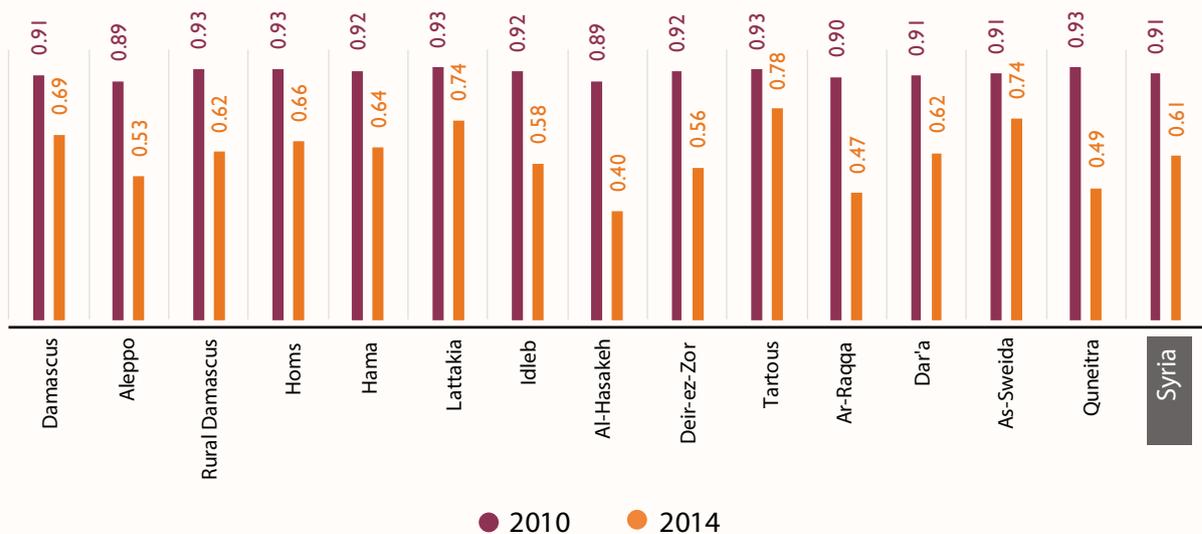


Source: Population Status Survey - Syrian Center for Policy Research projections

In addition to the catastrophic results at the national level, there is a great disparity between regions. The governorate averages hide the inequality at the local level levels. In areas such as Eastern Ghouta, Al-Rastan, and districts of Deir-ezzor and Aleppo, there is the great deprivation and food insecurity. These areas witnessed a higher intensity of military operations and human rights violations compared to other areas (Figure 64).

Drivers of the reductions in food security can be attributed to the conflict and effects on trade, infrastructure, finance, assets and labor, as well as government policies and weather. Dominant conflict elite actors in different Syrian regions have pursued exclusionary and discriminatory policies that instituted a violence economy, in

Figure 64: Food Security Index at the governorate level for (2010-2014)



Source: Population Status Survey - Syrian Center for Policy Research projections

the absence of the rule of law, accountability and respect of human rights. This institutional performance was one of the main determinants of food insecurity as an SCPR study reveals. Social factors were also important determinants of food insecurity. A SCPR Study in 2019 also shows that the social trust, solidarity, cooperation and voluntary activities related significantly to food security. Disaggregation of social relations due to polarization, spread of violence and hatred culture and identity politics affected the role of social solidarity in mitigation the food insecurity. Finally, the FSI correlated highly with demographic factors such as the increased rate of war-related mortality and displacements.

3.9 Degradation of Social Relations

The Syrian conflict has not only affected the physical and tangible resources of the country, but also the intangible - harming culture; tearing the social fabric of Syrian society; weakening networks and social relations; and eroding trust,

mutual values and social norms. Inequalities can be captured by the deterioration of the social capital due to high levels of oppression, polarization and the spread of various types of ideological fanaticism. Syrian society has fractured on the basis of regional and cultural backgrounds by enhancing hatred and violence culture, deliberately targeting civilians which caused high numbers of casualties, injures and forced displacements. Destroying social capital was not just a consequence of the war, but it was used as an active tool to increase fear of both supporters and opponents.

The report uses the concept of social capital as a proxy for social relations in the society. Social capital is defined as the common social values, bonds, and networks, which have been accumulated within a given society, whether by individuals, communities, or institutions. This accumulation is based on reciprocal trust between and within individuals and communities. Social capital can entrench in the foundations of social cohesion and integration, and work

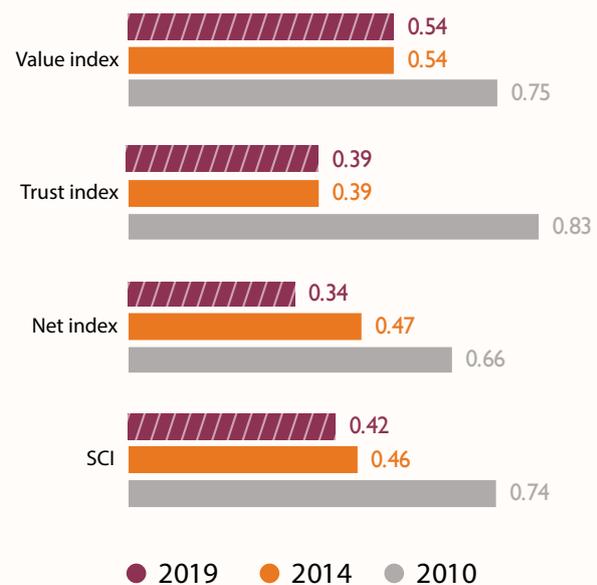
vigorously to create a free, aware, and productive populous who are capable of serving the common good. Social capital is an integral part of society's wealth and assets that positively affects the quality of life of its individuals. (SCPR, 2017). The Social Capital Index (SCI) is made up of three components: networks, social trust, and shared values. Recent SCPR research about the impact of the conflict in Syria on social capital shows that the country witnessed a severe decline in SCI by 30 per cent during the conflict, compared to the pre-conflict period. This degradation is a result of notable declines in the three components of the index, albeit to varying degrees. The decline in the social trust component contributed to the overall decline of SCI by 58 per cent, whereas the contributions of the shared values component and the networks component were at the rates of 22 per cent and 20 per cent, respectively. The governorates in which SCI had declined the most by 2014 were those that were most affected by war, hostilities, and polarization. The decline was highest in Ar-Raqqa, followed by Al-Hasakeh, and Idlib.

In the period 2015-2019, the subjugating powers continued their use of violence and fear to subordinate people. Identity politics was one of the main policies used to fuel the conflict, abusing the diversity of religions, ethnicities, economic and social backgrounds, bonding relations, regions to create fragmentation and polarization in order to eliminate and dehumanize the other. The regional and international actors who were involved directly in the conflict (including Turkey and Russia) contributed by further aggravating the social fragmentation. Battles in Aleppo, Ar-Raqqa, Afrin, Ghouta, Idlib, and Al-Hasakeh among many others were clear examples of using identity politics to escalate the war.

This deterioration of social capital reflected a substantial aggravation of social injustice as it deteriorated the wealth of social relations and common values, harmed social solidarity, and diminished people's capabilities and agency.

Moreover, the conflict created distorted relations based on hate and rejection of the other, lack of sympathy, cooperation, and trust. These distorted relations come with huge grievances and continue to threaten the future of society to live in peace and integration. The damage of social capital was uneven across sex, class, regions, political affiliations, displacement statuses among other aspects.

Figure 65: SCI and its components at the national level (2010, 2014, 2019)



Source: Social Degradation Report, SCPR, 2017

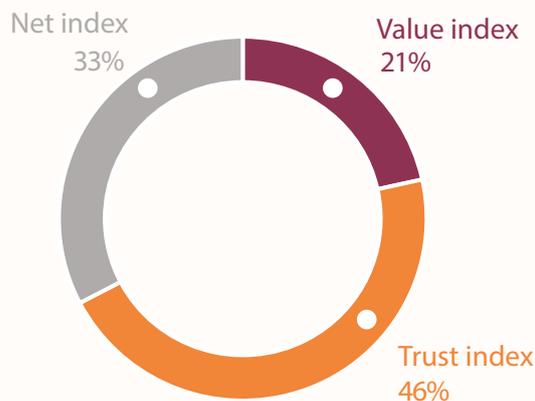
•• The conflict created distorted relations based on hate and rejection of the other, lack of sympathy, cooperation, and trust. ••

“ Women’s status and participation in social life have declined during the conflict. This went along with a severe deterioration in human capital at the levels of health, education, and capacity building, as well as a decline in the standard of living.”

Social trust witnessed the most severe decline in comparison to the other components, with significant disparities between different governorates on the level of social trust, especially during the conflict, and a spread of hatred culture and polarization. Frequent manifestations of violence, such as systematic shelling, arbitrary detention, killings, theft, and kidnappings are major factors contributing to a prevalent sense of insecurity, as well as widespread poverty, deterioration of living conditions, expansion of the conflict economy, forced displacement, corruption, and fear culture.

The shared values and attitudes component also declined significantly over the course of the conflict. This resulted from a clear decline in the indicators of agreement on a future for Syria. This is attributed to a number of factors, including chaos, differences in political opinions, the absence of participation and representation, social and identity polarization, and disagreements on the best way to end the conflict.

Figure 66: Structure of SCI decline by its indicators (2011-2019)



Source: SCPR estimations, 2019

Direct violence deteriorated social capitals that are based on relationships that transcend traditional bonds and are manifested in the “networks” component. This component is crucial in building civil relationships that contribute to social harmony and to overcoming violence and resolving disputes peacefully. In many regions, relationships between individuals and the values of reciprocal cooperation and trust have been shattered during the conflict. The spread and domination of armed parties and security forces that penetrated society further contributed to dismantling social connections and relations, and created an atmosphere of mistrust, imposing social, economic, and political orders that are founded upon fear, subjugation, hatred of the other, and the identity politics.

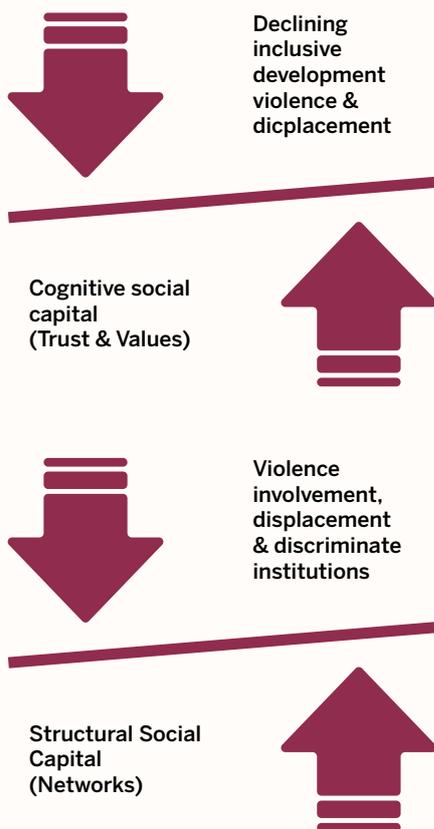
Regarding the determinants of social capital during the conflict, the killing, kidnapping, torturing, displacement, conflict economy, and authoritarian and unjust institutions, in addition to the deteriorated levels of education, health, employment, and standards of living, have negatively affected the social capital. These determinants must be taken into consideration when proposing possible alternatives. Moreover, the deterioration in health, education, and employment status clearly affected the status of women in society, as well as women’s social participation, in addition to the effects of violence, discriminatory institutions, and displacement. Thus, the importance of understanding the indirect effects of violence on development factors becomes apparent, as they play an important role in the exclusion and exploitation of women.

It is worth mentioning, that trust among members of small communities, which are connected by familial, religious, and regional ties, increases whenever the loss of life increases, as an expression of solidarity in opposition to

the perceived other. This weakens linking and bridging social capital and increase fanaticism.

The associations between violence, displacement, development levels, institutions, and social capital were significant. The results indicate that violence, displacement, and discriminatory institutions have a negative relationship with social relations and networks, while increasing violence, displacement and declining inclusive development levels affect negatively social trust and mutual values.

Figure 67: Determinants of Social Capital



A social policy required for inclusive social development should aspire to achieve social justice as its long-term objective. It should do this by setting sub-goals for ensuring decent and sustainable livelihoods, social integration,

and the rights to participation, expression, and public accountability. An alternative social policy for Syria should endeavor to overcome the inequalities and exclusion induced by pre-conflict policies and should confront the catastrophic impact of the conflict including infrastructure destruction, social fragmentation, conflict economy, forced dispersion, and unjust institutions to achieve justice for the conflict victims.

3.10 GENDER INJUSTICE

As the conflict in Syria enters its tenth year, many men have joined the war, been detained or killed. This has left many women with additional financial responsibilities, beyond previous roles of many of them of caring for children and managing the household. With the worlds' attention focused upon military action and power politics in the Syria war, women have faced violence in many forms, including abduction, sexual violence, domestic violence, and early marriage (ReliefWeb, 2017; WoS, 2018).

A UN report (2019) shows that violent conflict has had huge and varying impacts on civilians. Whilst women and men experience conflict and violence differently, and there are both direct and indirect effects on each group. Although mortality rates on the battleground are significantly higher for men, women experience violence and its traumatic impacts at far higher levels, notably sexual and Gender-Based Violence (GBV) tend to be higher in conflict (UN, 2019).

3.10.1 Women's Status and Participation

After the beginning of the conflict, Syrian women became more involved in civil society to fill the gaps caused by institutional dysfunction and the shortfall of the public services (Marsi, 2017). However, women's status and participation in social life have declined during the conflict. This went along with a severe deterioration in

human capital at the levels of health, education, and capacity building, as well as a decline in the standard of living (SCPR, 2017).

Women's participation indicator has declined sharply from 0.69 (an index between 0 and 1) before the conflict to 0.51 in 2014. Many regions witnessed a collapse in women's participation, and among the reasons given in the Population Survey were "patriarchal society, and fear for women from kidnapping and other conflict related dangers."

SCPR Report, *Social Degradation in Syria (2017)*, shows that the war has negatively affected women, with the Status of Women Index³² declining from 0.81 before the war to 0.68 during the war. During the conflict, women have been subjected to detention, kidnapping, rape, labor in harsh conditions, and also have been burdened with increased economic responsibility – especially in the case of displaced families or widows. Women have also been affected by increasing incidents of early marriage, customary marriage, trafficking, and other forms of exploitation. All of this is a result of the deteriorating of moral conditions and a poor security situation.

Women face specific pressures and challenges in their dealings with the justice system. Syrian laws favor men over women, mainly in matters related to marriage, divorce, custody and guardianship, and inheritance. This has continued to affect women's status and their struggle to survive during the war in both government and non-government-controlled areas after 2011.

Women suffered from restrictions on free mobility; displacement; economic destitution; and military actions by the government, armed groups and international actors. The ability to obtain documentation has been severely hampered by the armed conflict. This is a great concern, as documentation is needed for women to access administrative bodies,

especially the civil registry to document births, deaths, marriage, divorce, and dealing with their properties. This remains a high priority, as proof of status is necessary for many daily needs.

3.10.2 Reproductive and Sexual Health

The WHO 2019 monitoring report, (WHO, 2019) shows that Universal Health Coverage (UHC) Service Coverage Index placed Syria 60th out of 100 countries. UHC is defined as "that all people, including those who are vulnerable or marginalized, have access to good quality health services that put their needs at the center without causing financial hardship" (WHO, 2019). However, the report reads these results with cautious as it might not covering the whole of Syria, as other sources shows worse situation in terms of reproductive and sexual health as will be shown below.

Risks associated with pregnancy, reproductive health indicators and maternal have been worsened during the conflict due to the deterioration of health service provision and access. The loss of healthcare workers of different cadres is one of the most important factors driving maternal and child mortality indicators in Syria (Evans et al., 2015).

The 2014 Population Status Survey, which includes health access indicators for pregnant women, shows significant decreases in pregnant women's access to reproductive health care in Syria during the conflict. Only 54.3 per cent of pregnant women received reproductive health care, while 22.8 per cent received partial but insufficient healthcare and 22.4 per cent suffered from a complete lack of care. Reproductive health services have deteriorated in most governorates, notably in the governorates that witnessed intense fighting. The data highlights disparity among governorates, ranging from 69.7 per cent having a complete lack of reproductive health care in Ar-Raqqa, to 44.5 per cent in Aleppo, and

41.2 per cent in Al-Hasakeh. The WHO Public Health Centers' Readiness Index, which assesses reproductive and sexual health services, including pregnancy care services, natural obstetric care, and essential newborn care, shows a weak readiness level in Syria and a large disparity between the governorates (WHO, 2016).

3.10.3 Sexual Violence

Sexual violence is one of the gravest violations of women's rights, however it is difficult to ascertain true prevalence figures due to fear of retaliation, misplaced stigma and shame, limited availability or accessibility of trusted service providers, impunity for perpetrators, and lack of awareness of the benefits of seeking care. This violence varied from harassment to rape, sexual slavery and trafficking. The 2017 UN Secretary-General report on Conflict-Related Sexual Violence states that, "sexual violence continues to be used by parties to the Syrian conflict as a systematic tactic of warfare, terrorism, and torture. Girls have been most vulnerable in the context of house searches, at checkpoints, in detention facilities, and after kidnapping; while boys have been subjected to sexual violence during interrogations in detention centers." (UN, 2018).

The UN report on Conflict-Related Sexual Violence (2019) stated the responsibility of state and non-State actors for the incidents of sexual violence. Trends analysis of incidents in 2018 confirms that sexual violence continues as part of the broader strategy of the conflict and that women and girls are significantly affected. It was used to displace communities and expel groups on ethnic or religious base, and to seize contested land and other resources. It was also used as a means of repression, terror, and control (UN, 2019).

Adolescent girls are perceived as the most affected age group among children. The fear of sexual violence has limited girls' movements outside of the home and therefore their access to

education and community life. In 27 per cent of communities assessed as part of the 2018 HNO data collection exercises, respondents reported sexual violence was occurring, with reports of the issue being either 'common' or 'very common' in 12 per cent of communities. While boys and girls of all ages can be targets of sexual violence, adolescent girls (22 per cent) were perceived by respondents to be at highest risk followed by adolescent boys 12-17 years (17 per cent), girls below 12 (16 per cent) and boys below 12 (15 per cent).

Overcrowded collective shelters, camps, workplaces, and the community were all mentioned as locations where sexual violence occurs. Some girls who had been raped or sexually harassed had resorted to suicide attempts, fearful of a scandal or still afraid of the person who assaulted them. The high traditional value placed on a girls' "honor" can lead to punishment, social exclusion and, in extreme cases, "honor" killing. Survivors may be considered a burden because speaking out could "disgrace" the family, according to the report "Invisible Wounds" (Save the Children, 2017).

●● Adolescent girls are perceived as the most affected age group among children. The fear of sexual violence has limited girls' movements outside of the home and therefore their access to education and community life. ●●

3.10.4 Early Marriage

Since 2011, child marriage has been increasingly reported as a concerning upwards trend with accounts of forced child marriages and trafficking has increased for girls during the conflict (U.S. Department of State, 2015)³⁵. In the Whole of Syria (WoS) 2018 report, in 69 per cent of assessed communities, respondents reported child marriage as an issue of concern, with 20 per cent of communities reporting it as a 'common' or 'very common issue' (UN-Women, 2018). Child marriage is used as a negative coping strategy to respond to economic difficulties and protection concerns. While girls and boys of all ages were indicated to be affected by child marriage, adolescent girls 12-17 years (by 68 per cent of participants) were considered the most affected group, followed by adolescent boys 12-17 years (54 per cent), girls below 12 years (29 per cent) and boys below 12 years (26 per cent). The highest occurrence of child marriage among girls and boys of all age groups, was reported in Ar-Raqqa, Quneitra and Rural Damascus (WoS, 2018).

Child marriage continues to be one of the main GBV concerns affecting girls. It is an expression of gender inequality, reflecting social norms that perpetuate discrimination against girls. Young married girls are often required to perform heavy amounts of domestic work, are under pressure to demonstrate their fertility, and are responsible for raising children while they are still children themselves. Young girls can experience extreme health risks and complications during pregnancy and childbirth. Married girls and child mothers have limited power to make decisions, are generally less able to earn income, and are vulnerable to multiple health risks, violence, abuse and exploitation (WoS, 2018).

3.11 Violence against Children

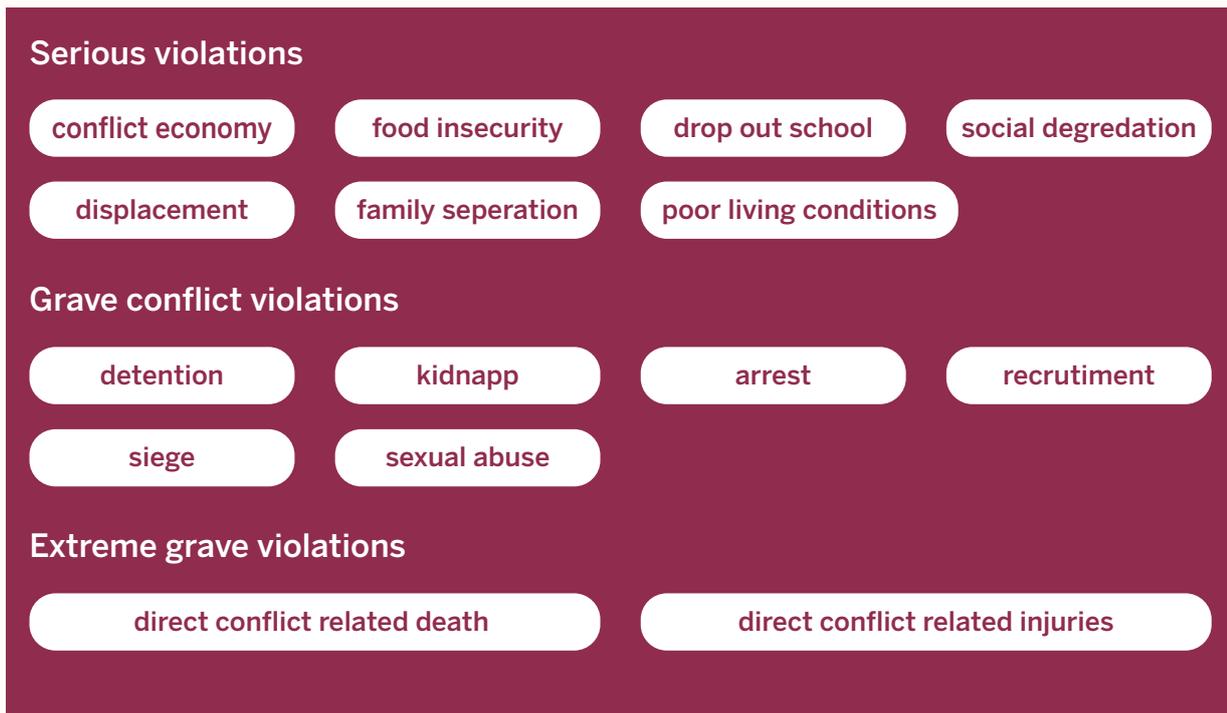
Although the overall levels of violence reduced in 2018 and 2019, the risk of severe violence still

exists in many regions in Syria. The extent of the violations of children's rights throughout the conflict creates a huge challenge for humanitarian actors now and future generations and leaders. The types of violations during the conflict vary according to severity and mortality risk. This report categorizes three levels of violation that children can be exposed to (Figure 68). The first level is 'serious violations,' and represents the conflict environment that directly impacts children's lives, such as the conflict economy, child labor, food insecurity to the extent of malnutrition, forced displacement including family separation or missing family members, poverty, poor living conditions, lack of access to health and education services, and social degradation. Following this is the second level, 'grave violations,' which represents the exposure of the children to kidnapping, detention and arrest, recruitment into armed conflict, sexual violence and besiegement. The third level, 'extreme grave violations,' represents the exposure of the children of Syria to direct loss of their right to life as many of them killed or injured by conflict military means (SCPR, 2019).

The three interlinked and overlapping levels above create a disabling environment for children at the family, community, and national levels. These violations have created extreme injustices and grievances for Syrian children. Although a child refugee might escape the second and third levels of violations, they may have been exposed to the first level of violations, particularly displacement and family separation, or a compounding of multiple violations. The intensity and duration of the violations may vary by gender, class, region, and age. As some children suffer from different types of violations and for different durations during the conflict, the disparities within the same generation increase substantially.

According to Save the Children's ranking of the worst crisis-affected countries in terms of children suffer most from conflict, Syria is the 'worst of the worst', ranked in the top 10 including

Figure 68: Levels of child rights violations



Source: SCPR 2019

Afghanistan and Somalia (Save the Children 2018). The ranking examines child protection mechanisms in 2016 based on nine indicators: the prevalence of each of the six grave violations - killing and maiming, recruitment into conflict; abduction, sexual violence, attacks on schools and hospitals, denial of humanitarian access; conflict intensity (measured by the number of casualties); total child population living in conflict zones; and the share of children living in conflict zones). The research for the ranking found that roughly 2 in 5 children in Syria, Afghanistan and Somalia were living within 50km of a conflict event, with the use of children as suicide bombers and the targeting of schools and hospitals having increased dramatically. According to Save the Children, the Syrian conflict has been characterized by a 'lack of respect for International Humanitarian Law'. This conflict will have severe knock-on effects of the future

lives and prospects of Syrian children. Moreover, there is a future contagion effect - the Syrian conflict has now set a precedent undermining the effectiveness of international laws and institutions which will permeate future conflicts (Save the Children, 2018).

According to UNICEF (2018), the scale, severity and complexity of needs across the country are devastating after seven years of conflict. About 13.1 million people are in need of humanitarian assistance, including 6.2 million internally displaced persons (IDPs) (OCHA, 2018a). The most vulnerable are children, especially those who are unaccompanied, or living with people with disabilities or elderly relatives.

The Whole of Syria Report on Child Protection in 2018 which was based on the United Nations Monitoring and Reporting Mechanism on Grave Violations against Children (MRM4Syria),

estimated that 3.3 million children remain exposed to the risk of explosive hazards in 2017. The heavy use of explosive weapons, landmines, and high level of contamination in some inhabited areas, as well as blast injuries from landmines and explosive remnants of the war cause particularly severe injuries to young children, resulting in an increased likelihood of death. Moreover, conflict-related deaths, according to WHO, are the main cause of death among adolescents (10-19 years of age) in Syria (WoS, 2018). While the death toll had decreased by the end of 2018 and 2019, the risk of direct child death due to the conflict remains very high, especially in active conflict areas such as Idleb and north-eastern Syria.

Children are often used in frontline combat roles, receive military training, and serve in support roles such as guarding checkpoints. Payment of salaries, ideology, family or community influence/pressure and unaccompanied children continue to be factors causing children to be recruited. Additionally, the lack of education opportunities and the feelings of insecurity, fear, injustice, anger, powerlessness, revenge, and uncertainty about the future can further drive children to join the conflict. Recruitment causes severe physical and emotional long-term consequences. Once recruited, children are exposed to tremendous violence – often forced both to witness and commit acts of violence, while also themselves being abused, exploited, detained, injured or even killed as a result. The recruitment and use of children in the Syrian conflict has increased sharply according to the 2017 UN Secretary General's report on Children and Armed Conflict. Catastrophically, children have been used to conduct suicide attacks and perform executions.

Overall, the conflict has severely impaired and fragmented the child protection system in Syria which has led to serious, grave and extremely grave violations of children's rights. These violations include (but are not limited to):

- Tens of thousands of child deaths

- More than a million injuries and disabilities among children
- Almost a third of children have known nothing but a lifetime shaped by conflict
- Half of all children are displaced inside and outside the country
- Two-thirds of all children live in extreme poverty
- Around half of the generation has dropped out of education system
- Many children exposed to child recruitment, child labor, early marriage, and lack of birth registrations.

The protection services have been affected by the insecurity and uncertain environment which left many children unable to realize their rights and aggravated the grievances of children without available pathways for justice. The available care services often are not appropriate for the violations seen in the conflict, which will leave long term consequences on the wellbeing of children. Furthermore, the inequalities of child protection increased across regions, communities, class, sex, age, and residence status. This should be an important aspect of any intervention in the future as the priority should be given to most vulnerable children.

The root causes of the violations can be identified as: firstly, the unjust, unaccountable, non-inclusive, inefficient institutions which created struggle on power and representation. Second is social exclusion, inequalities, and non-child friendly social norms. The third is the poor and unequal economic performance which has generated poverty, conflict economy, and a lack of job opportunities. The conflict deepened these root causes with the prevalence of violence and discrimination, fragmentation of public authority, identity politics and fundamentalism, social capital deterioration, and conflict economy.

3.12 ENVIRONMENT DEGRADATION

3.12.1 Climatic Conditions

Syria sits within a region that is prone to experiencing climatic fluctuations. Studies have shown that the overall trend of climate change in the region is consistent with climate change models affected by human activity and agriculture and economic activities based on high-carbon energy sources. Therefore, drought periods can no longer be attributed to natural change alone. In addition to drought and climate change, Syria has faced the emergence of new diseases. This has led to a decline in food security for the population of the Badia region and the northeastern region in the governorates of Al-Hasakeh, Ar-Raqqa and Deir-ezzor. The region experienced major droughts in the 1950s, 1980s and 1990s, yet the 2007-2009 drought was the worst. Syria was affected by this drought, which hit the north-east, leading to a decline in agricultural production, which is usually about a quarter of the Gross Domestic Product (GDP), resulting in the death of a large number of livestock, especially sheep, and a doubling of grain prices (Selby et al. 2017, Kelly et al. 2015).

The country has not experienced severe drought during the 2011-2019 conflict, even though it witnessed a relative low rain falls in 2018, which reduced the risk of the further catastrophic impact of the conflict such as more severe food insecurity. However, the conflict severely affected environmental sustainability, including water resources.

3.12.2 Water Resources

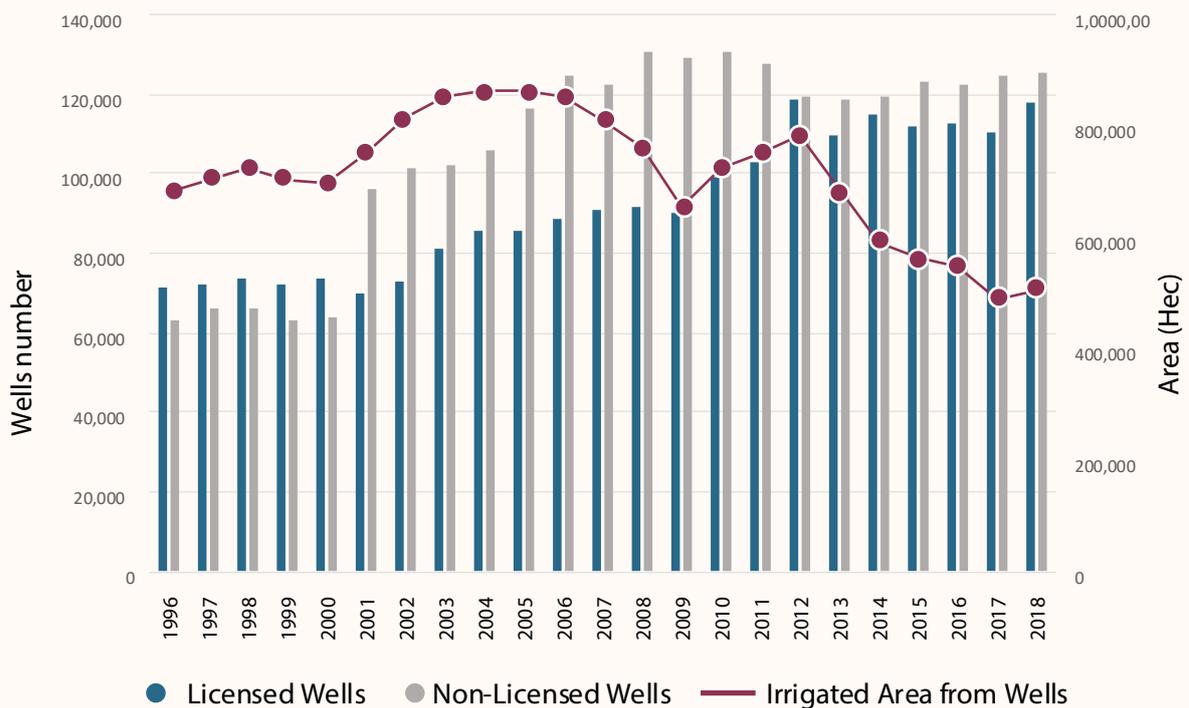
The water crisis in Syria is due to scarcity, drought, limited precipitation and irregularity, misuse and control of the aquifer (Westlake, 2001), groundwater depletion due to the drilling of wells, and the use of conventional, uncontrolled

irrigation methods (Najafi 2010). Although the modern irrigation law was passed in 2000 and the modern irrigation project was adopted in the tenth five-year plan, it did not succeed. Official statistics show a large increase in unlicensed wells between 2000 and 2010, where the number of wells doubled from about 64,000 thousand to about 131,000. Paradoxically, the increase in the number of unlicensed wells is accompanied by the decline of irrigated areas between 2005 and 2010 as shown in (Figure 69).

The conflict has destroyed many parts of Syria's infrastructure, including water infrastructure. The drinking water network has been heavily damaged, looted and vandalized, as have Syria's major water resources such as the Tabaqa dam and purification plants in hotspots severely impairing the ability to provide water for the population. Water projects such as the Tigris irrigation project, and the Halbieh and Zalbieh irrigation project, have also been suspended. Drinking water institutions have faced difficulties in securing disinfectants, leading to the spread of diseases. Ongoing power outages impacted the operation of many wells that provide the cities and towns with water. Many water sources were contaminated, such as water bodies or groundwater, especially in oil-rich areas, where there is production and refining of oil in primitive ways, as well as frequent bombing (Shawqi, 2016).

●● **Highlight: The conflict has destroyed many parts of Syria's infrastructure, including water infrastructure. The drinking water network has been heavily damaged, looted and vandalized.** ●●

Figure 69: Areas irrigated by wells and numbers of licensed and unlicensed wells (1996-2017)



Source: Syrian Agricultural Group, Ministry of Agriculture

Figure 69 shows the sharp decline in irrigated areas during the conflict in spite of an increase in unlicensed wells after 2013. These statistics do not include unlicensed wells in many areas due to lack of access and control, where surface and groundwater encroachment has multiplied. In 2018, unauthorized drilling of artesian wells continued in Al-Hasakeh, Daraa, Homs and Hama (FAO & WFP, 2018).

The quantity and quality of weapons used in the conflict pose a serious environmental threat to arable land, as toxic substances have caused soil contamination, which adversely affects the quality of agricultural land and its cultivability or productivity. Although there is no evidence to measure the impact of soil poisoning, which

is an important issue for the future research agenda, thousands of photographs, videos and testimonies documented the subjection of agriculture to various types of weapons. In addition, the 2014 Population Survey monitored the spread of oil primitive refining activities in the eastern region, which resulted in significant contamination of agricultural land and local water sources (SCPR, 2019).

In addition to pollution, the conflict has led to the waste of many natural resources such as forests and water resources as a result of destruction, vandalism or misuse, such as logging for heating. Waste and pollution affect the long-term potential of environmental sustainability and creates intergenerational future Injustice.

4.

INSTITUTIONAL
IMPACT OF THE
CONFLICT

4. INSTITUTIONAL IMPACT OF THE CONFLICT

●● *Oppression is fraught with the types of forces that have the power of terrorism with greatness and the strength of soldiers, especially if they foreigners, the power of money, the power of familiarity with cruelty, the power of clerics, the strength of the people of wealth and the strength of the supporters of foreigners.*

●●

Abd al-Rahman al-Kawakibi (The Nature of Despotism) p110.

The term ‘institution’ has a broad definition based on (North, 1990), as a range of “constraints that structure political, economic and social interactions” and regulate human behavior in a specific society; it consists of formal institutions like written constitutions, laws, policies, rights, and regulations enforced by official authorities and informal institutions such as social norms, traditions, and codes of conduct. The broad concept of institutions is a main pillar of the Human Status Framework, introduced in this report, as institutions influence to a large extent justice, power sharing, and security status, in addition to economic performance, human development, and social relations. The previous sections showed the role of institutions as an engine of injustice in the conflict context of Syria.

The social mobilization in Syria began in 2011 with calls for freedom, dignity and social justice. The movement expressed the great social frustration with various aspects of institutional, economic, and social development, which in turn reflected the sharp contrast between existing institutions and public aspirations. Local forces of subjugation (political tyranny, fanaticism and crony capitalism) and external forces played a decisive role in the militarization of the conflict

and the investment in politicizing local identities and war economies (SCPR, 2016). The inefficient, exclusive, and unaccountable institutions that fueled the main arenas of conflict include: the power and governance, justice and security, services delivery and natural resources.

Political power largely determines the distribution of resources and opportunities. Therefore, the deprivation of access to power creates enormous inequalities and sense of injustice. Furthermore, one of the main functions of just institutions is to ensure rule of law, society compliance with the law, and to resolve conflicts and distribute power equitably within society (World Bank, UN, 2016). In previous sections of this report, the socioeconomic grievances and inequalities were discussed; this section highlights the political power struggle and justice mechanisms performance.

The adoption of military-security solutions led to unprecedented levels of armed violence, which devastated the foundations of society and state. Many international and regional powers contributed politically, militarily, economically, and culturally to the exacerbation of the conflict and infeasibility of a resolution. During the course of the conflict, institutions were reformulated as the country fragmented between military forces, with fluid boundaries emerging between various zones of control. Institutions became centered around violence, with the aim of subjugating the population and consolidating control over power and resources. Indicators point to a collapse in government performance that was already weak prior to the conflict, and to the eradication of political stability, along with the increase in violence.

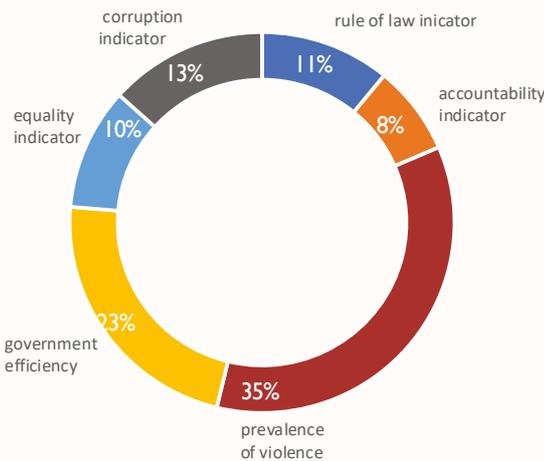
4.1 POLITICAL POWER STRUGGLE

The political and institutional systematic exclusion is a core root of the conflict. Before the conflict, the state was politically characterized

“The inefficient, exclusive, and unaccountable institutions that fueled the main arenas of conflict include: the power and governance, justice and security, services delivery and natural resources.”

by extreme centralization of power in the hands of the dominant political party, an absence of political and civil rights, a lack of meaningful accountability on state entities and institutions, and a general impunity of state security sectors. Authoritarian institutions and its abuse resources and power meant a postponement of meaningful transformation of the Syrian society and economy towards inclusive and just development.

Figure 70: Structure of INSI decline by its indicators (2011-2019)



Source: Population Survey 2014 and update, SCPR estimations, 2019

Moreover, the Bertelsmann Governance Index shows the erosion of national consensus, the absence of agreement on general objectives, and the inability of existing institutions to manage divisions and conflicts (SCPR, 2020b).

There was a marked rise in a group of new rich who took advantage of rentierism, government special privileges and overall cronyism. Patronage networks became a regular feature of Syria’s political economy in key sectors, state enterprises, land management and development to benefit the country elite on the expense of large sectors of Syria’s population.

The HuSI shows the enormous collapse in Syria’s

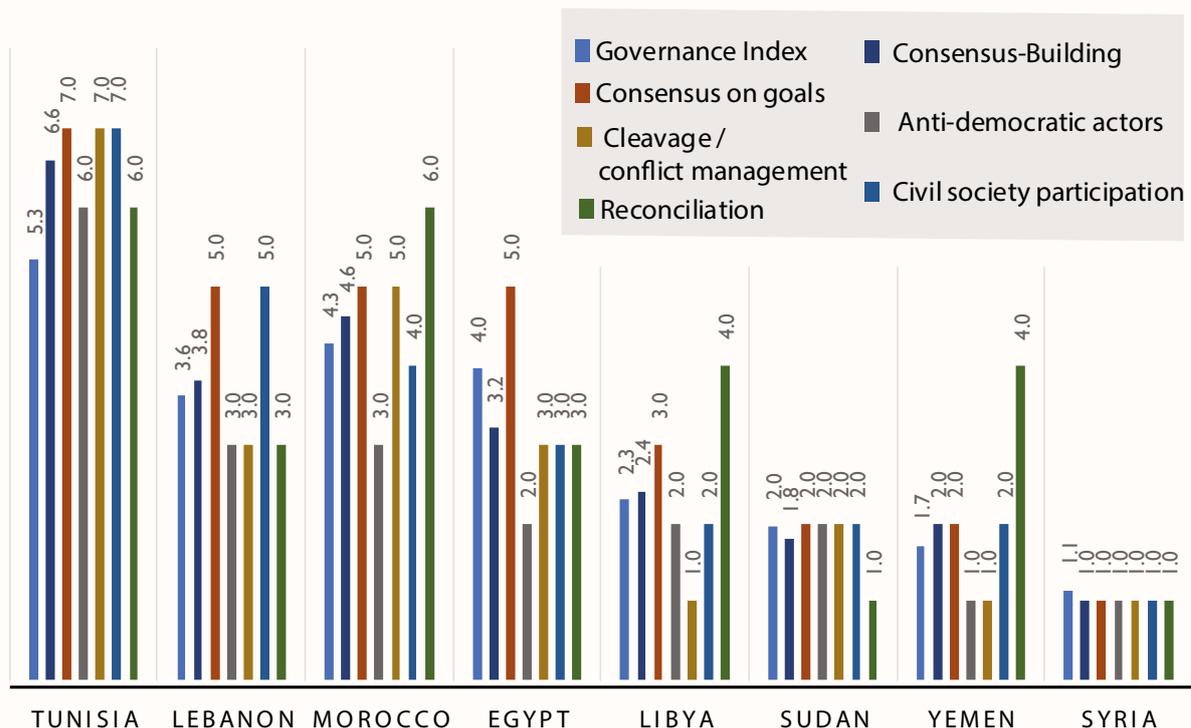
institutional performance and the deadly struggle between fighting political actors. Decision-making processes during the conflict have been fragmented and internationalized as multiple internal and external actors engaged in setting unique priorities and mechanisms for each of the involved actors. The different forms of institutions were conflict-centered and adopted extreme strategies to squandering human beings, social relations, and resources, in addition to subordinate communities. Although the intensity of fighting has declined during 2017-2019, yet the rule of law, participation, accountability aspects of governance have continued to deteriorate.

4.1.1 Mapping of Actors

In 2019, four key internal political actors were identified, each of which formed a de facto model of control. There were: 1) the Government of Syria (GoS) or Syrian regime; 2) oppositions groups; 3) the Autonomous Administration (AA); and 4) extremist groups, mainly ISIS and al Nusra. The GoS and its allies extended control in recent years. The Development Policy Dialogue ³⁶ implemented a political economy framework to analyze the foundations of power for each of the internal actors. This research used a participatory research approach and relies upon the following foundations: Military force; control of political institutions; the ability to mobilize and organize people; the economic capabilities; acceptance and social support; population control; control over land and natural resources; and external support.

The results show that the GoS has the most political power in terms of military, controlling lands and institutions in addition to receiving a lot of external support. The second most influential power was the AA of Northeast Syria, which initially relied mainly on external support, but also scored highly on military strength and economic capabilities, organization and collective action, land, and natural resources and social

Figure 71: Governance Status and Components Index 2018 (Bertelsmann Index)



Source: Bertelsmann Stiftung, BTI 2019³⁵

acceptance. The opposition groups, which refers to all forces controlling the areas of Rural Aleppo and recently in north Ar-Raqqa and Al-Hasakeh, including local councils and factions, ranked the third. Most of the foundations were based on external support, followed by military strength and collective mobilization, and its weakest foundation is the control of land and natural resources. The Nusra Front or HTS³⁷ that mainly located in Idleb, ranked fourth. Its strength is based on military force first, then external support, population, and economic capabilities.

The main foundations of the above four internal actors are external support; military forces and control of population; and control of economic capabilities and public institutions. Social acceptance is not a priority for these powers to build the foundations of their power.

The Forum posits a fifth actor: Civil society. The participants define 'civil society' broadly as organizations and initiatives which are independent from political powers. Civil society bases its strength on social acceptance, external support, the ability to mobilize and organize people, and economic capabilities.

External powers have played a direct and major role in reforming institutions and political powers during the conflict. The Development Policy Dialogue highlights the influence of the main external powers on each of the internal actors directly or indirectly. The results of this influence on the internal forces are weighted according to the internal forces based on its political power foundations. The results show that Russia and the United States are the most influential, followed by Turkey, Europe, Iran, and finally the United Nations. The most powerful actors on

“The absence of an independent legal system, and the aggravation of security services that had the upper hand in directing the legal system and other justice institutions created enormous grievances and has resulted in the absence of any impartial legitimate institutions that can resolve conflicts.”

the regime are Russia and Iran, but there are multiple levels of influence by America, the United Nations, Europe, Israel and Turkey. America and Turkey are the most influential on the AA, while Turkey is the most influential on the opposition groups and Nusra front. Overall, the main strategies of the external powers can be ordered based on their importance by direct military, political, humanitarian, economic, and cultural interventions respectively.

4.1.2 Conflicting Priorities

The Development Policy Dialogue identified fourteen key normative priorities and ranked them for each of the internal and external actors. The priorities for each internal actor were weighted by its political power, and the priorities for each external actor were weighted by its influence on internal actors. The results show major contradictions in priorities among the internal actors, including civil society. The priorities of justice, freedom, transparency, participation and democracy ranked bottom of the list, which reflects the nature of the conflict-centered actors. Only the civil society ranked justice, freedom and democracy as top priorities (DPF, 2020).

The external actors' priorities showed major contradictions as well. For the United Nations, peace, freedom, justice, transparency and participation are among the top priorities, while for Russia, legitimacy, country unity, sustainability and development are the top priorities.

Searching for potential converging priorities has the potential to start the process of ending the conflict. The results show that convergence priorities in the field of peace, stopping armed conflict, societal acceptance, development and sustainability are common starting points for

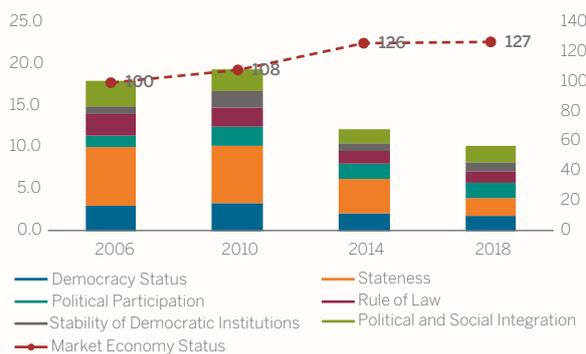
inclusive dialogue and discussion between all or most of the parties. The report suggests gradual multi-level social congruences approach to search for transformation towards peace in such intractable conflict.

4.2 JUDICIAL JUSTICE

In ideal circumstances, the security and justice of formal and informal institutions act as guarantees in the prevention of conflict. They do this by imposing the rule of law, including imposing punishments on violators of laws or norms (World Bank & UN, 2016). The abuse of judicial institutions was characteristic of the authoritarian government before the conflict. The absence of an independent legal system, and the aggravation of security services that had the upper hand in directing the legal system and other justice institutions created enormous grievances and has resulted in the absence of any impartial legitimate institutions that can resolve conflicts.

The conflict has added new levels of grievances as intense fighting and its catastrophic consequences on the humanitarian, social, and material levels led to one of the worst humanitarian disasters since World War II. The conflict has also been characterized by grave violations of human rights, including killing, torture, looting, detention, and forced displacement. This is in addition to the destruction and besiegement of cities without any guarantee of civilians' right to protection. On the social level, the conflict incited a clash of identities, murder, and dehumanization of 'the other' are among the most dangerous violations of the conflict.

Figure 72: Rule of Law Index and indicators and Syria's ranking according to the Bertelsmann Index (2008-2018)



Source: Bertelsmann Stiftung, BTI 2019³⁵

Judicial authority witnessed a severe deterioration during the conflict, as the GoS was a main party to the conflict and the legitimacy of the state institutions has sharply deteriorated. The GoS did not consider legal authority as a tool for resolving and managing in the conflict; instead, it used security services to exclude, punish, and subordinate any opposition voices. However, during the conflict the official legal system experienced many distortions and fragmentation of authority as the country divided into many areas with many different de facto actors. The hegemony of military forces created “war law,” regardless of the de jure Syrian legislations, and created many informal channels to deal with people’s grievances.

Throughout the conflict, several legislations and laws have been issued by the legislative and executive authorities of the regime, starting with the Constitution passed in 2012 and a number of legislation and laws such as amnesty and settlement laws. These also included the abolition of the State Security’s Exceptional Court and the formation of an “Exceptional” court for countering terrorism in 2012 based on Counter Terrorism Law No. 19 of 2012. This court is considered contrary to all international and constitutional standards for providing a fair trial; thus, it is also

promoting violence and divisions within Syrian society.

Further legislation has also contributed to the economies of conflict, strengthening the positions of crony capitalists and warlords, such as Legislative Decree No. 66 of 2012³⁸ and Decree 19 of 2015³⁹. This latter decree grants administrative entities authority to establish holding companies whose contracts are subject to the laws of commercial companies, and thus are exempted from the control of laws that protect public assets. As a result, it grants them broad powers in terms of organization and tax collection, as well as the ability to directly contract with companies and investors without returning to the principles of public contracting and spending. Moreover, the new Awqaf law gave the Ministry of Awqaf the right to establish holding companies whose contracts are not subject to laws that protect public finances and assets, while maintaining the inability to sell endowments it gave the ministry the authority for long-term investments through holding companies. This is in addition to other directives and instructions that granted security authorities civilian powers, such as associating all official procedures with security approvals, thus enabling the extortion of anyone who is an opponent of the regime and suspending their ability to use their property (SCPR, 2020b).

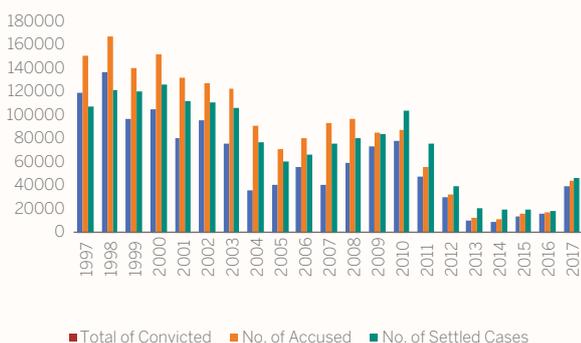
Furthermore, Law No. 10 of 2018 placed property rights subject to the local administrative unit’s control over properties in regulatory zones, which restricts the right of individuals to use their property and deprives them of some of their properties completely. This increases the share of the local administrative unit in the regulating zone, without limit, at the expense of individuals and public property. Law No. 10 is fundamentally linked to Decree No. 19 of 2015, on the formation of holding companies that supervise and manage regulatory zones (SCPR, 2020b). Law No. 10 thus serves major landlords, investors and warlords by allowing the abuse of public and private assets.

In areas outside of government control, the

official justice system has been replaced by a hybrid and fragmented system. Many courts were under the direct or indirect influence of the armed groups which violated their independence, and in turn affected the credibility of the armed groups. In some areas Sharia courts were established which deny all modern judiciary systems and norms, creating extreme violations for the justice sector in these areas (ILAC, 2017). For instance, in Idleb there are two types of courts, the first is the Islamic Judicial Authority, supported by factions which are party to the National Liberation Front. The other is the Ministry of Justice of the Salvation Government⁴⁰ These courts rely on the arbitration of Islamic law, Islamic jurisprudence and the Mecelle (Ottoman civil code). They also rely on precedents in ruling on new cases, as well as the regulations issued by the Supreme Judicial Council that established in 2017⁴¹ (SCPR, 2020b).

On the other hand, in the AA areas, a different justice sector has emerged. Although the courts were more organized compared to other opposition held areas, they suffered from a lack of consistency and integration across localities. Also, there are still government courts in operation in some locations in the AA controlled areas that function alongside the new AA justice institutions; yet, the new justice institutions adopted AA authorities and local norms and customs that based on their Social Contract (ILAC, 2017).

Figure 73: Number of settled cases & number of accused and convicted persons in the official judiciary (1997-2017)



Source: Abstract 2018, CBS.

The results of the Population Survey in 2014, which covered the whole of Syria, showed that the prominent local figures who enjoy high social standing are ranked as the most important authorities in resolving local conflicts, followed by security officials. Clerics were ranked third, followed by the judiciary authority. These findings reflect a lack of confidence in either the judiciary system, or the broader role that the law and official institutions play in society, which led to the replacement with informal relations. These findings indicate that traditional and security forces have disrupted the already weak judicial system, and thus halted the work of one of the most important state authorities. This deterioration has been further exacerbated by virtue of the armed conflict, wherein chaos and fighting have prevailed, and traditional and military forces have had the upper hand, even with civil, commercial and family issues (SCPR, 2017).

The decline in the role of the official legal system can be highlighted based on the official data that released on the judicial system as Figure 73 (above) shows a substantial drop of the number of settled cases, accused and convicted persons after 2010, at a time where millions of violations cases have occurred.

The conflict actors who are responsible of killing of more than 500 thousand Syrians, injuring millions including causing permanent disabilities, kidnap, forcible disappearance, torture, rape, sieges, displacement, and destroying and looting public and private properties and belongings, are outside of any accountability or justice system in the context of conflict. The war-torn discriminatory and fragmented judicial system(s) are missing the political will, legal reference, human and procedural capacities to handle the grave violations that have been used as a tool of war.

4.3 CIVIL SOCIETY: RESISTANCE OF SUPPRESSION

The social movement that erupted in 2011 demanded civil and political liberties and justice as top priorities for the Syrian society. This movement was associated with a flourishing of civil society initiatives and organizations that mobilized an enormous segment of Syrian society. The authorities responded to this movement with violence and repression. As this report discusses in previous sections, the deterioration towards armed conflict led to mass destruction, an immense number of casualties, and the displacement of more than half of the Syrian population. Regional and international powers intervened politically, militarily and economically, turning the country into a battleground for multiple conflicts. Hundreds of armed groups emerged and competed for dominance, with governance structures invariably characterized by authoritarianism and hegemony. Thousands of societal organizations and initiatives sprang up to confront repression or provide humanitarian services and assistance, but polarization and divisions emerged and deepened between local communities and regions. Identity politics has also been crucial in producing this societal rift, the division of civil society, and the exacerbation of extremist tendencies (SCPR, 2013, 2020c).

The Institutions component of the Human Status Index clarifies the vanishing of public space and the possibilities of actual community participation; also, the Bertelsmann Transformation Index (BTI)⁴², shows the deterioration of the already poor state of democracy, with the absence of rule of law, the rupture of state entities, arbitrary use of violence, and dominance of exclusion. This context created an extreme insecurity status for civil society at the time that development and humanitarian needs have increased.

The conflict has contributed to the reconfiguration of Syrian civil society in complex and overlapping forms and functions. In 2011, the movement created new spaces and aspirations towards political, social and economic participation that guarantee the right to expression, accountability, justice and human security. The pathway to fulfill these aspirations was through confronting despotism and fear that have afflicted public life in the country for decades. However, the adoption of the military and security confrontation of the movement, the blockage of horizon in opening spaces for reaching social congruences, and the increase in violations and losses have hindered the promising growth of civil society institutions and initiatives. In a second stage, with the serious deterioration of the armed conflict, civil society lost its most important source of strength, cohesion and societal support, as the military and security forces succeeded in using repression, identity politics, and the conflict economies to disrupt social capital, which led to serious divisions in the structures of Syrian society.

At a time when thousands of organizations and initiatives have emerged that have adopted the participation of women and youth to defend public freedoms and rights, monitor violations, protect civilians and help those affected by conflict, there has been an escalation of traditional, fanatic and exclusionary tendencies that reject others and embrace submission. On the other hand, with the intensification of the conflict, civil organizations and initiatives concerned with human needs and public services expanded to face the enormous needs resulting from the conflict, which initially depended on local resources, but the economic collapse and scarcity of resources led to their heavy dependence on external support sources that affected its formation and function. The organizations concerned with humanitarian needs made fundamental compromises to the subjugating powers so that they could continue to operate; while the majority of organizations and initiatives

●● Civil society has faced a central challenge, as with the decline in the role of public institutions and sometimes their absence, civil initiatives have become mandated to address the tasks of governance and management in some regions. ●●

concerned with rights and freedoms were displaced out of the control of the authoritarian forces, especially outside the country.

Civil society has faced a central challenge, as with the decline in the role of public institutions and sometimes their absence, civil initiatives have become mandated to address the tasks of governance and management in some regions. In context that does not provide an appropriate environment for capacity development or the sustainability of temporary governance systems. The military and security forces, the war elite, the traditional forces in addition to the external forces involved in the conflict had a major role in obstructing the development of a governance model led by civil society.

Outside the country, Syrian civil society initiatives and institutions have substantially developed in particular dealing with advocacy, rights, and refugee support issues. Additionally, part of civil society initiatives and activists have participated in a space provided by the United Nations in Geneva negotiations, the Constitutional Committee, and donor conferences. It is an important step towards creating a more effective role for civil society in transforming conflict. Overall, the civil society community abroad has also suffered from division and polarization, as

well as great pressure from host countries and donors.

The research on political economy of the constitution has demonstrated the importance of role of Syrian civil society in creating societal congruences and adhering to the priorities of justice, freedom, participation and peace, which makes civil society a major possible player in the process of overcoming conflict and confronting injustices along a complex and long pathway.

4.4 PRIVATE SECTOR: WAR CRONYISM VERSUS RESILIENCE

Prior to the conflict, neoliberal policies expanded the role of the private sector in the economy from 50 per cent of GDP in 1990 to 58 in 2000 and 62 per cent in 2010, whilst the share of private sector employees accounted for 73 per cent in both 2001 and 2010. The first decade of the millennium witnessed a more influential role of private business in the Syrian policy-making process, which was reflected in an organic relationship between the new and traditional crony capitalists and the authorities (ANND, 2017). The major individual and institutional expressions of private sector strength (such as the holding company Cham Capital) were well known and held a monopoly over big business opportunities. However, the majority (upwards of 95 per cent) of the private sector was comprised of small and medium sized enterprises, and 86 per cent of the private economy was informal in 2010. The public policies and legal framework facilitated the expansion of the private sector favoring the cronies and shrinking the economic role of the public sector. For instance, the private sector increasingly expanded in manufacturing, banking, external trade, and telecommunication sectors; additionally, the Labor Law No.17 in 2010 favored the business persons at the expense of workers who suffered from lack of decent work conditions. As a result, the inequalities in terms of income and opportunities substantially increased during the implementation of “reform” policies.

The massive deterioration in economic activity, the destruction of infrastructure, the loss of human capital, the prevalence of the authority of violence, and the absence of the rule of law have been accompanied by significant damage to the private sector, fragmentation or suspension of its activities, and loss of property, equipment, buildings, markets and relationships, and capital that fled abroad. The war brought out different segments of the private sector, most notably: 1) the segment of military forces that looted, plundered, vandalized, and seized resources and activities that shifted to invest their security control in playing an economic role in various areas of control; 2) the violence-related capitalist segment, including groups of influential people who took advantage of their relations with the military forces to engage in activities related to and serve the conflict economies such as smuggling and monopoly including aid brokers; 3) groups that exploited the needs of people and the flow of aid to play the role of mediation with the funding and supporters; 4) the survival segment, which represents the small and medium private sector that has adapted to conditions and changed working methods and geography to continue operating at the minimum level; 5) the refugee private segment, which represents the private sector that originated and developed abroad after asylum; and 6) the civil/private segment, which represents the associations that have undertaken activities that provide income for their employees and beneficiaries.

This dramatic change transformed the social composition of the Syrian private sector and provided the conditions for the introduction of new stratum within the private sector which have been directly involved and beneficiaries of the conflict. Nevertheless, understanding of the stratification of the Syrian business community must also be paired with an understanding of the broader domestic and regional economic landscape in which the Syrian private sector functions (Abboud, 2020), as the interventions from outside the borders surged in forms of

military, economic, or humanitarian support or exchange.

The dynamics of the private sector's transformation and re-stratification has been driven by several intertwined factors: rules of conflict actors, conflict intensity, human capital loss, capital flight, economic contraction, the collapse of internal markets and networks, humanitarian needs and interventions, and economic sanctions. The massive loss of private economic activities and capital was associated with a major capital flight that mainly spread to the neighboring countries of Turkey, Egypt, Lebanon, Iraq, UAE, and Jordan. Throughout the region, many Syrian business interests (and individuals) were forced to find creative ways to retain and/or mobilize capital (Abboud, 2020).

The new conflict elite transformed the activities of private sector toward 1) meeting the emerging local basic needs with the massive increase of poverty and food insecurity, and the deteriorations of basic living conditions and services; 2) expanding the illicit activities to utilize the conflict opportunities, including smuggling, trafficking, weapon trade, monopoly of basic goods, abuse the humanitarian assistance, stolen goods trade, primitive oil refineries, hard currencies exchange, among other activities. These elites became vital actors, linked to

“The organic relations between political actors and new private elite have deepened transforming and transferring the remaining wealth in an unprecedented forced redistribution of tangible and intangible capital.”

political powers in a system of mutual benefit and interdependency. These same actors increasingly attempt to capitalize on the potential reconstruction opportunities using their newly earned capital and influence.

Overall, the organic relations between political actors and new private elite have deepened transforming and transferring the remaining wealth in an unprecedented forced redistribution of tangible and intangible capital. Enormous injustices have been created between the political actors and new private elite on one hand, and the surviving private sector, employees, unemployed, displaced, and the poor, on the other.

4.5 INTERNATIONAL ORGANIZATIONS: DUALITY OF ROLES⁴³

International organizations, external, regional and international actors continue to play a substantial role in the Syrian conflict on political, socio-economic, and institutional levels. International actors are active stakeholders and play an essential role in either fueling or quelling the socio-economic crisis in Syria.

As we highlighted in the economic section, Syria received 40.3 billion USD in humanitarian

aid between 2012 and 2019; 11.2 billion USD of this was in the HRP, and 29.1 billion USD was outside of the response plan. Furthermore, the neighboring countries received 39.6 billion USD in humanitarian aid to the refugee crisis between 2013 and 2019; of which 18.5 billion USD were inside the response plan, and 21.1 billion USD outside it. The total received funds amount to 79.9 billion USD, which is 1.4 times the GDP of Syria in 2010.

The flow of these significant funds was associated with the creation of new structures and functions for the international agencies in the region due to conflict dynamics. The UN organizations shifted their focus from development to humanitarian functions, with a substantial expansion in their roles that focus on health, food security, housing, living conditions, protection and education. A new clustered strategy to coordinate among UN agencies and other partners has been created to ensure the effectiveness of HRP. However, huge fragmentation of programs implemented by UN organizations was observed. The performance of the UN system was influenced by the political agendas of the ruling actors in each of the implementation regions; for instance the policies and performance of UN's agencies based in Damascus differed from the policies for 'cross-border' activities in Jordan and Turkey.

International Non-Governmental Organizations (INGOs) started to work substantially in the humanitarian field inside Syria and in the neighboring countries. The size of operations of these humanitarian institutions became substantial and, in some ways, indirectly contributed to the intensification of emerging conflict economies transactions. During January and August of 2019, the HRP received 927 million USD; 60 percent of which was spent by UN agencies and 19 percent by INGOs. In the meantime, foreign private business started to play a role in implementing humanitarian and conflict related actions, such as supporting independent policing and various public and state

●● Highlight: The size of operations of the humanitarian institutions became substantial and, in some ways, indirectly contributed to the intensification of emerging conflict economies transactions. ●●

functions and activities. Foreign governments' agencies, universities and research centers have all contributed to the implementation of the response plan in different, and possibly inadequate, ways.

The reasons that the Syria response has been so deeply challenging are myriad; however, many stem from two underlying issues. The first is the overall 'structure' of the response, to include interactions between the architecture of donors, UN agencies, INGOs, and local Syrian organizations, as well as the way funding is allocated, coordinated, and distributed. The second is the intense politicization of the Syria response, which has had a major impact on the ability of the UN and INGOs to deliver aid in an impartial and sustainable manner. These issues are interlinked have created a situation whereby the Syria response is deeply uncoordinated, subject to capture by local actors, and often creates perverse incentives (Gardiner, 2019).

The UNSCR Resolution 2165, issued in July 2014, authorized the UN (and other response actors) to "use routes across conflict lines and the border crossings of Bab al-Salam, Bab al-Hawa, Al-Yarubiyah and Al-Ramtha" to deliver aid. In essence, by mid-2014, there were two Syria responses - an 'inside Syria' response, which was almost entirely based in government-held areas; and a 'cross-border' response, which worked almost entirely in opposition or Autonomous Administration areas.

The inside-Syria response was heavily constrained by the GOS; the UN and Damascus-based INGOs were compelled to work with local partners linked to or approved by the GoS. Government and security agencies maintained considerable oversight over individual projects and project location selection, and the GoS was able to exert considerable control over staff selection by selectively issuing visas or pressuring Syrian staff. The inside-Syria response did eventually deliver aid to opposition-held areas, through the 'cross-line' UN convoy system;

however, these too were heavily constrained, as the GOS retained the ability to selectively approve or reject, crossline convoys (Gardiner, 2019).

The cross-border response, largely based in neighboring countries, faced a different set of constraints. Both the UN and INGOs continued to deliver large amounts of direct cross-border assistance in accessible areas not controlled by the government, and direct programs were continuously implemented in AA-held areas in north-eastern Syria. However, reaching Syria's besieged areas (such as Eastern Ghouta, northern Homs, and southern Damascus) became impossible due to the lack of a physical border crossings. Additionally, security conditions inside many parts of opposition-held Syria deteriorated to the point that much of the cross-border response in opposition-held areas effectively became a 'remote' response; INGOs and other response actors would receive international donor funds, and would then select local Syrian organizations working in opposition-held areas. This created serious challenges with respect to efficiency, vetting of local partners, donor compliance, monitoring and evaluation and local contextual awareness on the part of cross-border INGOs (Gardiner, 2019).

Overall, international agencies played a significant role in alleviating the grievances and meeting the increased demands for livelihood support by Syrians, IDPs, refugees and host communities. Furthermore, international organizations operated in a high demand, dire security context and managed to be present in hard-to-reach areas in the most intense conflict-affected regions. However, these interventions have failed from bridging the gaps between needs and resources, and have suffered from polarization, lack of coordination, weak accountability, and most importantly, the dominance of insecurity and conflict-centered institutions.

4.6 GLOBAL INJUSTICE AND THE UN SECURITY COUNCIL⁴⁴

The global power struggle has had a direct effect on the intractability of the Syrian conflict. This struggle is variously represented in the approaches of the permanent five members of the United Nations Security Council (UNSC) (P5: US, Russia, UK, France and China) towards addressing the Syrian conflict and managing its impacts.

The application of international law throughout the Syrian conflict has been ineffective, poorly executed, and lacking commitment. This has impeded the alleviation of civilian suffering and set the grounds for a prolonged conflict. The conflict in Syria became increasingly violent as the conflict progressed. Arbitrary arrests, kidnappings, targeting of civilians, use of conventional weapons, including heavy weapons, internationally forbidden weapons, and sieging entire societies for years among other violations have proliferated.

In response, the UNSC proposed an arms embargo on violators of international law, supervision of missions, and a commission of inquiries and draft resolutions which has little impact on the ground for civilians. Russia vetoed 14th resolutions on Syria, and, along with China, defending the concept of 'safeguarding a country's sovereignty', while the remaining P5 drafted resolutions erecting 'red lines' calling for international intervention to protect human rights. Given the increasing international polarization and lack of accountability mechanisms, the role of the Security Council in the Syrian issue has been hindered.

There were a small number of examples of P5 unity over Syria, with resolutions achieved on the following topics: supervision of missions (2042, 2043, 2059 (2012)); a framework to eliminate Syria's chemical weapons with P5 participation (2118 (2013), 2209 (2015), 2314 and 2319 (2016)); unhindered access of humanitarian aid

(2139 and 2165 (2014), 2268 and 2332 (2016)); ceasefires (2254 (2015)) and civilian evacuation monitoring (2328 (2016)). Nevertheless, the effectiveness of implementation of these resolutions on the ground was often hampered by conflict actors that are formally or informally backed by rival P5 members.

Russia's support to the GoS throughout the conflict and subsequent direct military intervention and support has been key in the diplomatic and military survival of the Syrian regime. Russia's intervention in Syria has caused civilian casualties as well as a major destruction of Syria's infrastructure, with the absence of any international accountability mechanism.

Security Council Resolution 2249 (2015), which was unanimously adopted, calls upon member states "to take all necessary measures, in compliance with international law, in particular with the United Nations Charter," against the ISIS and Jabhat al-Nusra in Syria and Iraq. Based on this resolution, Syria witnessed a spree of major air strikes on several of its cities by the US-led International Coalition comprised of the US, UK, France, Belgium, Netherlands, Denmark, Canada, Australia, Jordan and Saudi Arabia. The Coalition's aerial campaign began in 2014 and has resulted in civilian casualties and the destruction of infrastructure. Despite this, there has been a lack of accountability and transparency as to the Coalition's actions and consequences.

●● **Highlight: The global governance system failed to protect civilians in Syria and failed to activate and apply humanitarian international law and/or effectively achieve a just and sustainable settlement.** ●●

Russia, US, Iran, Turkey, and Gulf countries, among others, continued to supply the conflict with replenishments of weapons, ammunition, logistics and fighters as a means to support their alliances in the war. This contradicts the repeated declarations by officials of there being 'no military solution' to the conflict. The military support was associated with hate speech and an inflammation of identity politics within the country.

The P5's internal struggles, in addition to deep regional polarization, resulted in a failure of eight years of UN sponsored peace talks in Geneva. The Astana platform established by the Russia, Turkey, and Iran to deal with ceasefire has gradually excluded the representation of any Syrian actors. With stalled multilateral negotiations efforts and continued bilateral funding and supply of weapons to the warring factions, the prolongation of the conflict was assured, allowing for oppression, extremism, and lawlessness.

The global governance system failed to protect civilians in Syria and failed to activate and apply humanitarian international law and/or effectively achieve a just and sustainable settlement. The case of Syria is not unique in the region; the people in this region suffered from injustices in Palestine, Iraq, Lebanon, Yemen, and Libya among others. Therefore, a new global order is desperately needed to avoid more escalation towards scenarios of further conflict and degradation.

4.7 SANCTIONS

Before the conflict in Syria, the US had implemented sanctions against Syria, including the Syrian Accountability and Lebanese Sovereignty Restoration Act of 2004. It banned munitions sales, prohibited exports of most US goods containing more than 10 per cent US-manufactured component parts to Syria, and banned Syrian aircraft from US airspace. The stated purpose of these sanctions was to

end Syria's support of "terrorist activities," its pursuit of weapons of mass destruction and its military presence in Lebanon. In 2006, another sanction was levied, this one based on the US Patriot Act. The Treasury Department designated the Commercial Bank of Syria as a "financial institution of primary money laundering concern," and required that US financial institutions to sever all ties with it. In addition, between 2004 and 2008, the US also froze the assets of certain Syrian individuals and government officials involved in supporting policies seen as being against US interests (Hufbauer et al, 2011).

In a response to the uprisings in 2011 in Syria, the US, EU, Arab League, Turkey, Australia, and Canada, among other countries, imposed sanctions on the GoS and its allies that aimed at "encouraging the Government of Syria to refrain from actions, policies or activities which repress the civilian population in Syria, and to participate in negotiations in good faith to reach a negotiated political settlement to bring about a peaceful solution to the conflict in Syria" according to EU⁴⁵. This group also attempted to use diplomatic and coercive economic means to compel the Syrian Regime to stop targeting civilians and to support a transition towards a governance system that respects human rights and ensures rule of law⁴⁶, according to US.

The sanctions have gradually expanded during the period 2011-2019 and it can be categorized as follows. First, sanctions on persons and entities, who are part of or engaged with GoS, who have been involved in the violence against civilians and violated human rights. Measures included the freezing of assets, travel bans, restrictions on financial transactions and investment activities. Second: the embargo on weapon trade and all goods that have "dual use," as well as equipment and technology that could be used for internal repression or for interception. Third, the ban on investment, technical support, or trade of petroleum and energy industry including the imports of oil derivatives. Fourth, the halt of all trade and financial agreements and prohibit

dealing with public banking and insurance sector. Fifth, the exemptions of the humanitarian assistance and trade of food and medical goods.

A new level of sanctions that were specifically connected to 'reconstruction' efforts, was rolled out after the direct military intervention of Russia in 2015 and the expansion of the government-controlled areas. The EU banned any support or contribution to the GoS's reconstructions plan before a meaningful negotiated political settlement was achieved. However, the US issued the Caesar Syria Civilian Protection Act of 2019 which imposed more comprehensive and more strict measures against the GoS and its' allies. The Act was approved within the US's National Defense Authorization Act for Fiscal Year 2020, dated 9th of December 2019⁴⁷ The Act will consider, after investigation, the Central Bank of Syria as a financial institution of primary money laundering concern, requiring the imposition of special measures. The Act also expanded the sanctions on foreign persons who engage in any of the following:

1. Providing significant financial, material, or technological support to, or a significant transaction with the GoS; a military contractor, mercenary, or a paramilitary force inside Syria for or on behalf of the GoS, Russia, or Iran; or supporting sanctioned foreign persons;
2. Knowingly selling or providing significant goods, services, technology, information, or other support that significantly facilitates the maintenance or expansion of the GoS's domestic production of natural gas, petroleum, or petroleum products;
3. Knowingly selling or provides aircraft or spare aircraft parts or support operating aircraft that are used for military purposes in Syria;
4. Knowingly, directly or indirectly, providing significant construction or engineering services to the GoS.

The Act aims to deter foreign persons from entering into contracts related to reconstruction in connection or relationship with the GoS, Russia

or Iran. The Act stipulates that the US President "shall brief the Congress on the potential effectiveness, risks, and operational requirements of military and non-military means to enhance the protection of civilians inside Syria, especially civilians who are in besieged areas, trapped at borders, or internally displaced." Moreover, the humanitarian assistance and related entities will be exempted, and the US President can waiver the sanctions as a tool to achieve progress in the peace process.

The Caesar Act includes general sanctions that potentially include all goods, services and transactions with GoS, and it also includes Russia and Iran and all related entities and persons. This can expand the impact of the sanctions on the political actors and on the economy.

The debate on sanctions and its impact is still active, and different points of view are underpinned by different understandings and conceptions of justice during the conflict.

1) The sanctions on persons and entities who have violated human rights and committed war crimes and on weapon trade are essential to the realization of justice. Yet, the process must be inclusive and transparent. The challenge in Syria that the UN Security Council is divided and major global powers are polarized in supporting the political actors which reduce the effectiveness of the sanctions.

●● Highlight: The debate on sanctions and its impact is still active, and different points of view are underpinned by different understandings and conceptions of justice during the conflict. ●●

2) The sanctions on sectors including oil, manufacturing, trade, transportation, banking and insurance created a negative impact on the economy through different channels. There has been a drop in production and trade due to the withdrawal of foreign investors including foreign oil companies; restrictions on production inputs and equipment; reduction of technical support; restrictions on financial transactions; and a halt of trade agreements which has deteriorated the trade exchange. Consequently, the cost of production increased due to the higher cost of energy, transportation, and financial transactions even for the sectors that were not sanctioned. This led to a higher cost of living, poverty, unemployment, trade balance and public budget deficit and increase inequalities (SCPR, 2013). Nevertheless, the armed conflict impact marginalized the impact of sanctions 2013-2019, as the production deteriorated due to the severe battles, destructions, displacement, capital flight, and the status of borders, and the GoS adapted to the war through changing the orientation of trade towards the countries that support the regime or do not actively sanction it. Additionally, the conflict-related networks created channels to avoid the sanctions which flourish the conflict economy and created new layer of intermediaries. Recently, the relative decline of active armed battles and the new type of sanctions such as the Caesar Act will expand the impact of sanctions again as any recovery or reconstruction needs a substantial external support, investment and exchange.

3) The implicit assumption in the sanctions imposed is that the countries that adopt it aim to defend civilians and / or promote freedoms and democracy, but the behavior of many countries that adopt sanctions such as the United States in the region provides opposite evidence, such as the continued support for Israel in its continued occupation, aggressions, and racist practices; the siege and invasion of Iraq; the destruction of Raqqa; and the arms trade with authoritarian states. The way out for this dilemma might be a structural reform for the governance of Security Council to play its role in an effective way to achieve international peace and justice.

The future research agenda needs to diagnose the political economy of sanctions, specifically looking at the effectiveness of sanctioning the warring actors and protecting people and economy. In addition, the relations between sanctions and conflict economies needs to be addressed as the sanctions counters war lords' activities abroad on one hand, but it fuels illicit activities that benefited conflict elite and negatively affected civilians on the other hand.

5.

JUSTICE TO
TRANSCEND
CONFLICT

5. Justice to Transcend Conflict

This report proposes the use of the Human Status Framework as a comprehensive, evidence-based approach to analyze the impact and dynamics of the conflict using a justice lens. The institutional, social, and economic diagnoses of the conflict reveal injustice as a core root of the conflict, as well as the unprecedented levels and forms of injustice have been created during the conflict. This framework and analysis can contribute to the formation of a widely accepted narrative for the conflict, and then creating alternative pathways for transcending of the intractable conflict.

This report identifies five key factors that fuel the conflict and create injustice that need to be addressed in the alternatives for future. The first factor is that political tyranny causes development efforts to stall and reverse. Political oppression compromises a) the people's voice, dignity, rights, properties, and opportunities; and b) the social values, trust and networks. The political oppression is associated with exclusive and unjust institutions, has inflamed the struggle for political power, and has undermined the country's development. Secondly, identity politics fuel conflict as they can harm solidarity and social relations, and created a culture of hate, exclusion, and fanaticism. Thirdly, conflict economies have been a major contributing factor in perpetuating conflict. Conflict economies cause the destruction of resources, create huge inequities and grievances, and reallocated the remaining resources from the productive sectors to the conflict and criminal activities. Conflict economy is associated with political oppression and crony capitalism. Fourth, global injustice is a key factor that fuels conflict and creates injustice. The international hegemonic system, discrimination, exclusion, interferences and destruction of fragile countries was a major factor in creating an enabling international and regional environment that sustained the conflict in Syria. The global power struggle for influence in the Middle East has reached a point of extremity in the case of Syria, with direct military interventions seen by

international and regional actors with varying and often contradictory and conflicting motives, policies, and ideologies. Finally, the exclusion and suffer of the vast majority of Syrians as they have been deprived of their human rights, subordinated, made vulnerable to violence, and excluded from political, social and economic processes. The grievances of a suffering population are fuel for continuing conflict and instability.

Based on these factors, it is necessary to rebuild institutions on the basis of justice, citizenship, democracy, the rule of law, inclusion, and accountability; to remove constraints on public liberties, freedom of expression, and the production of knowledge; to open the public space for social relations and participation; to establish a productive and inclusive economy that supports the conflict affected people and create equal opportunities; and to urgently address rights violations experienced by those arbitrarily detained, kidnapped, forced disappeared persons, and exploited women and children; and to combat negative phenomena such as theft, infringement on public and private properties, and the proliferation of weapons. The dismantling of destructive and disempowering political, military, fanatical, and conflict economy structures which subjugate the population is the cornerstone of overcoming the tragedy and preventing against future conflicts.

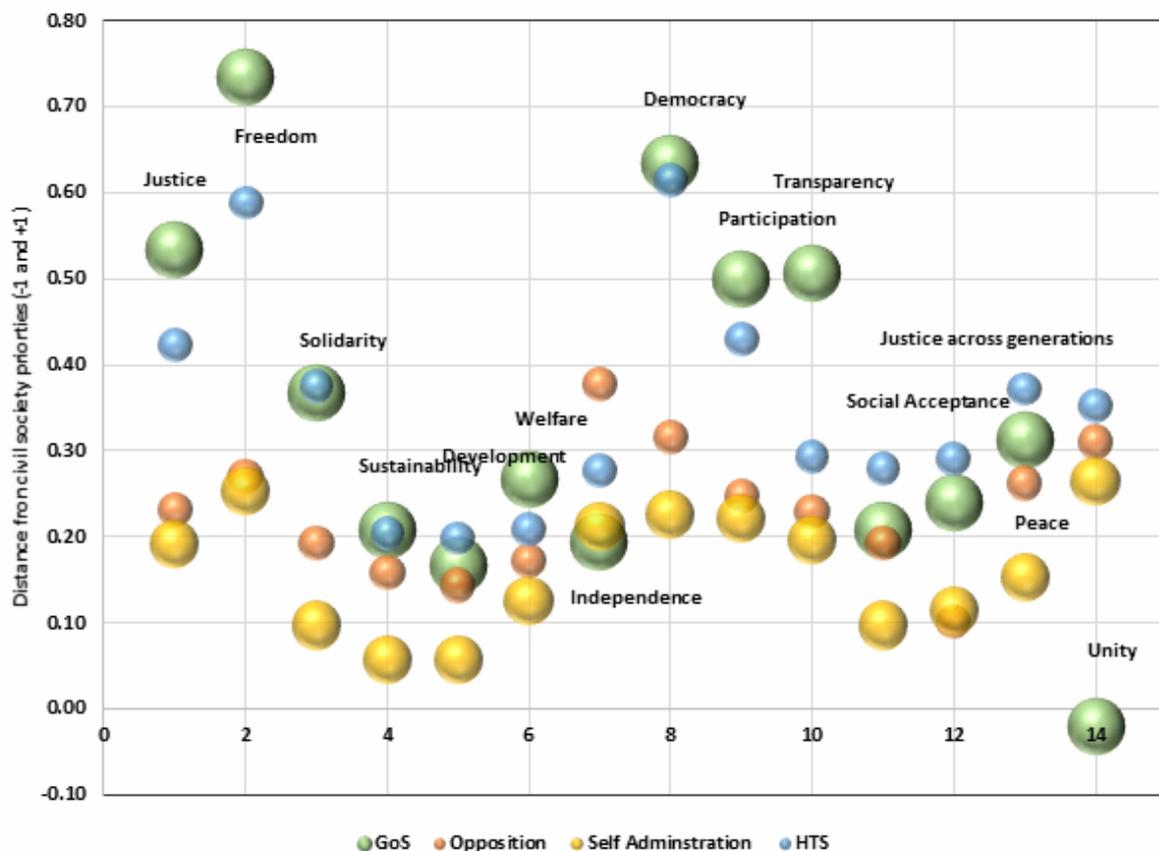
This report addresses justice through practical steps that are built on public discussion and social participation to achieve decent human status. This approach encourages addressing broad underlying structural issues with transformative change, rather than 'quick-fixes'. For example, providing job opportunities is a 'quick fix', whereas addressing the right to decent working conditions and investing in structural improvements to protect rights within the industry are transformative changes that will make a greater impact on citizens' lives.

The report suggests alternative approaches to

•• The dismantling of destructive and dis-empowering political, military, fanatical, and conflict economy structures which subjugate the population is the cornerstone of overcoming the tragedy and preventing against future conflicts. ••

address the impact of the conflict, based on a political economy analysis of the key active powers and dynamics of the conflict. They are models of strategies and policies to address injustice, and they are not intended to list all possible options or solutions.

Figure 74: The distance between the civil society and internal actors' priorities



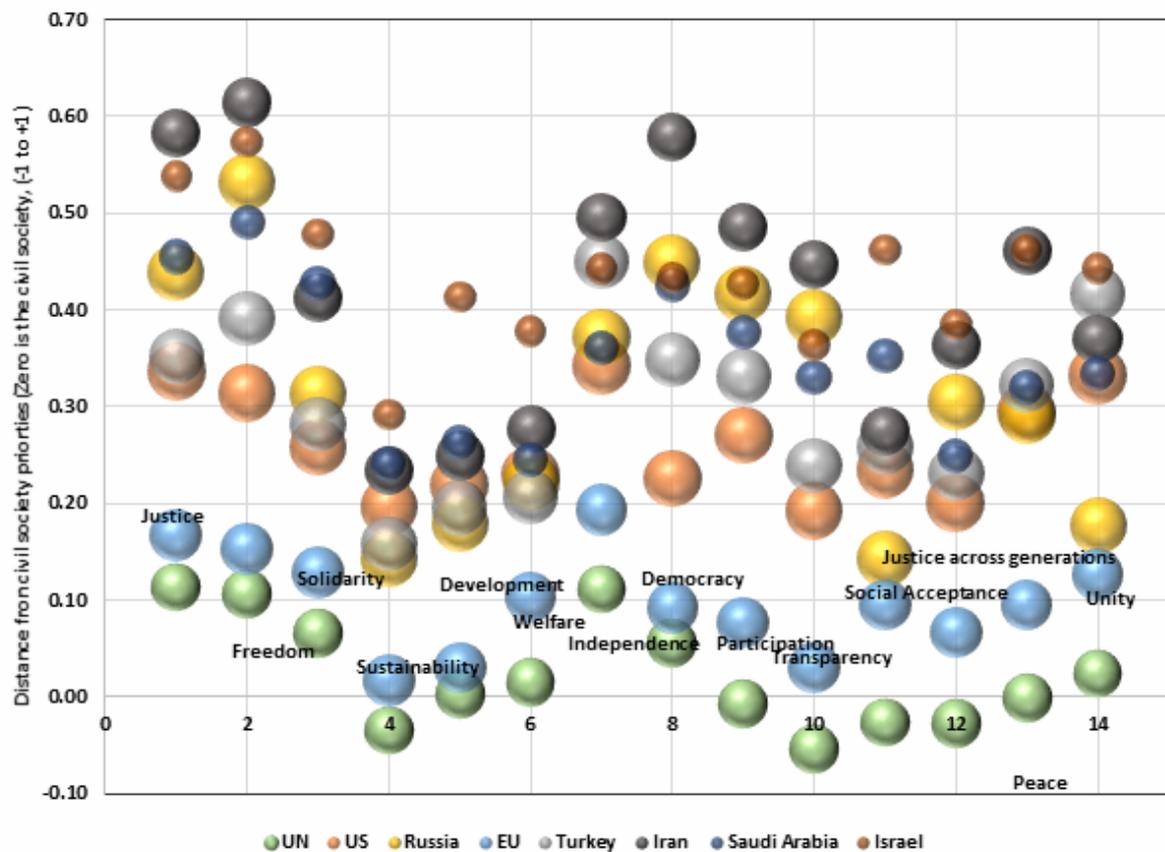
Source: Development Policy Forum: The Political Economy of Constitution in Syria, Roundtable No. 6 SPCR.

5.1 SOCIAL CONGRUENCES IN PARTICIPATORY APPROACH: THE POLITICAL ECONOMY OF PEACE-ORIENTED INSTITUTIONS

In light of national and international polarization of views about the Syrian conflict and the future for Syria, the political economy of peace-oriented institutions provides a different approach to transformative change, designing a way out of conflict, and constitution-drafting in comparison with the contractual or normative methods. The

political economy of peace-oriented institutions framework is based on an analysis of actors, strategies, and social relations within society, taking into account the role of external regional and international powers. The proposed approach assumes the unfeasibility of designing new institutions, including the constitution, without a broad participatory process to discuss the grievances and inequalities arising both before and during the conflict, and the development of mechanisms to build gradual multidimensional social congruences on the most important issues and interests of various groups and social actors (Pabst and Scazzieri, 2016). The approach looks for where multiple overlapping interests,

Figure 75: The distance between the civil society and external actors' priorities



Source: Development Policy Forum: The Political Economy of Constitution in Syria, Roundtable No. 6 SCPR.

values, and priorities can be found among social groups and communities, notwithstanding the current political and identity polarization. The approach emphasizes the gradual and increasing participation of society in shaping its future and strengthening the foundations of solidarity, justice, freedom and sustainability (DPF, 2020).

The results of the Development Policy Dialogue⁴⁸ that is presented in the Institutional Section of this report shows major contradictions among the priorities of internal and external actors. The deep division between actors on the priority of justice, freedom and democracy explains the extreme difficulty of reaching an exit pathway of the conflict. To highlight the divergence in priorities the report measures the “distance” between the Civil society priorities as a reference point and the rest of internal and external actors. Figure 74 demonstrates that across priorities, there is a gulf of difference between the civil society’s preference on the priorities and the Government, HTS, Opposition and AA’s preference on priorities. The most significant differences were found in the areas of freedom, democracy, participation, justice and transparency. This reflects the complexity of the conflict and the erosion of shared civic values and priorities.

Figure 75 shows the distance between external actors’ priorities and civil society priorities. It shows that the higher distance is with Israel followed by Iran, Saudi Arabia, Russia, Turkey and the United States. The closest to the civil society’s priorities is the UN followed by the EU. Again, the most extreme divisions are found in the areas of freedom, justice, independence, democracy, and participation. The most influential external powers are Russia, the US, Turkey, the EU, Iran, and the UN.

The proposed approach, “social congruences,” has several characteristics. The first is feasibility, which focuses on identifying the overlaps between the priorities of different actors - taking their political weights into consideration - and creating a multiplatform to build congruences on each

of the shared priorities, even if it is not the top priority for all considered actors, i.e. searching for second or third best overlap that captures a majority congruence among actors. The second characteristic is multi-layered as the approach seeks to establish any available congruences between any of the actors to create several grounds that establish further wider congruences. Third, the approach emphasizes graduality; it does not compromise the top priorities, rather it builds the first level of congruences to reach the first temporary equilibrium and pave the ground and condition for upper equilibria. Fourth is society oriented - it considers the society as a major reference actor and attempts to secure its representation and active participation; additionally, it develops the strategies to strengthen the alliances between society and the closest actors in terms of shared priorities. Finally, justice and peace are the main orientations as the social congruences aim to counter the conflict and its foundations and ensure transformation towards sustainable and inclusive institutions.

The suggested starting areas and priorities for potential congruences are peace and ending of armed conflict, acquiring societal acceptance, development, and sustainability, which are broad and complex areas. These all include political, social, economic and environmental aspects, as well as areas for dialogue and discussion can be developed into achieving full or partial congruences among actors.

●● Highlight: “social congruences” approach has several characteristics such as feasibility, multi-layered, graduality, and society oriented. ●●

5.2 DISMANTLING THE CONFLICT ECONOMY

The conflict economy in Syria is a core pillar of the war, as it has created a system that produces injustice and waste through the destruction of tangible and intangible wealth and resources; the reallocation of resources to fuel the conflict in the interests of the subjugating powers; the deprivation of the majority of the population, and the adoption of abusive, pillaging, impoverishing policies that promote lawlessness. This system established transnational conflict-centered networks which cause negative impacts beyond Syria borders, to the regional and international levels.

The Development Policy Dialogue conducted five roundtables in 2019 (SCPR, 2020) to frame the conflict economies in Syria and to propose alternative options to transform the conflict economies towards inclusive development. A key challenge of conflict economies is its ability to ruin any attempts towards ending the conflict and reaching a sustainable settlement through the conflict elites and conflict centered institutions. Conflict economies work through three levels: international and regional, national, and local levels. Each of these levels needs to address the political economy of conflict and the key actors who are involved intentionally or unintentionally in sustaining it. The proposed strategy insists upon the importance of mobilizing all possible efforts to counter the conflict economies' foundations during the conflict, transitional, and peace periods, in order to gradually mitigate injustice and create incentives to transform the economy.

Syrian citizens are by far the greatest loser in the conflict economy; together they form the key actor whose interests are damaged by the conflict economy, and in whose interest, it is in to counter it. However, there are many incentives for subjugating actors, including the conflict elite, to continue to prop up the conflict economy: they have gained politically, socially and economically through the conflict, hence they are going to resist changing the status quo.

The strategy highlights some of these incentives/constraints:

- The potential of further collapse of the economy, as the current grievances and injustices can possibly lead to more severe chaos and insecurity that damage the political power of the controlling actors. For instance, the decline of military operations in 2019 did not prevent an economic deterioration and instability in the relatively secured areas.
- The continuous depleting of internal and external resources has shrunk the opportunities that can be abused by subjugating powers.
- The spillovers of conflict economies on the region and beyond have created substantial regional economic damages and aggravated insecurity factors. Smuggling, arms trade, damages to the trade, tourism and transportation sectors in addition to the refugee's crisis are few examples of these factors.
- The fatigue of external powers as the country turned to a black hole that consumed humanitarian, economic, and military support.

The strategy considers the Syrian society as a main actor to support the transformation of the economy, through civil society organizations, initiatives or informal institutions and networks on national and local levels. It also identified the potential roles of the internal and external powers, including the state and non-state actors, private sector, regional states, UN and international agencies, and global powers.

The strategy is built on key pillars:

I. Sanctioning conflict networks and activities

The compromises that reward the conflict are going to cement the conflict economy dynamics and undermine the efforts to transform the economy. They also aggravate the factors that

create new waves of violence in the future. The following are some proposed policies and initiatives that can contribute to set negatives incentives to conflict elite:

- Assure consistent international and regional strategy to prevent or constraint the conflict related activities inside the country and across the borders, including the arms trade, human trafficking, mercenary, smuggling, pillage, abusing properties and resources among other activities.
- Incorporate dismantling conflict economies strategy in any potential peace agreements, and addressing it in the constitution, and mobilizing international and national support to achieve it.
- Upgrade the role of global and national civil society and independent agencies in monitoring of conflict economies activities and advocating for imposing strict measures against it.
- Address countering conflict economies in all humanitarian, economic, and developmental projects and activities by excluding conflict elite and networks and encourage productive activities and transparent mechanisms.

II. Promoting solidarity economy

The transformation towards post conflict economy must not repeat the same mainstream policies that were adopted prior to the conflict and contributed to the enormous inequities and exclusions that led to the conflict. The pre-conflict neoliberal policies reflected an association between political oppression and crony capitalism which has continued during the conflict but with more complex dynamics and fragmented institutions/actors. Therefore, the strategy proposes a solidarity economy which expands the role of society in the economic institutions, enhances social capital, promotes

sustainability, maximizes the overlap between the public and private interests, and ensures fairness in empowerment and opportunities. Below highlights some of the suggested policies and interventions:

- Institutionalize the civil society economy that supports equal opportunities in ownership and investment and imposes inclusivity and sustainability. This economy would contribute in accelerating the process of rehabilitating of infrastructure and basic services utilities and guaranteeing a substantial participation of people.
- Establish a fair environment for productive activities, and encourage alternative solidarity based economic projects that gradually crowding out conflict elite activities and ensure recovery or reconstruction sustainability. The wide benefited segments of society need to struggle to reshape the public institutions to improve economic environment.
- Encourage the labor-intensive projects of public, private, civil sectors that enhance poverty alleviation, social networks, and facilitate the inclusion of vulnerable groups within a decent work condition.
- Ensure counter cyclical fiscal policies that increase the public expenditure especially the investment which helps in creating jobs and maintain subsidies as key policies as the majority of Syrians are poor.
- Reallocate the majority of military and security expenditure and support by state and non-state actors towards productive and social security sectors. This needs enormous efforts by national and international actors to counter the military strategies of the warring actors.
- Reduce dependency and support local production processes in all sectors,

through various funding sources, and activating effective monetary policies for price stability. Food security is a key policy to support the local production and provide households especially for those who suffered the most in rural areas with source of income. Food production helps in reducing the abject poverty rate in the country. The Nodes Overlapping Development Strategy (NODeS) in the next section highlights more details.

- Assure inclusive and fair access for all to the recovery and reconstruction opportunities; and allocate related revenue to meet the grievances and grounding the foundations of solidarity economy.
- Develop the integration of inclusive economic efforts between Syrians in and outside the country, and between Syrians and refugee-hosting communities.

III. Prioritizing social justice

The conflict economy creates retroactive, current, and future injustices as the report demonstrated in the previous sections. The enormous injustice creates more factors to the continuation of violence. The breakout of this organic relation needs to imbed justice within the design of institutions and strategies.

- Mobilize all efforts to stop violence in all its forms, restoring security to the lives of citizens, preserving their dignity and individuality, releasing detainees, and revealing the fates of those who have been forcibly disappeared via fact-finding committees.
- Conduct comprehensive, evidence-based, and transparent initiatives to identify the grievances and damages caused by conflict, and to develop an innovative approach for direct and indirect tangible and intangible compensations.
- Adopt policies and initiatives which are pro-conflict-affected people, communities, regions. This aims to alleviate grievances, build trust and reinvest in human and physical and economic relations. These policies shall concentrate on the active engagement of the target population rather than focusing only on relief assistance.
- Concentrate on investment in human capital through education, health, social protection prioritizing the most affected by war.
- Counter the weaponization of health, education, food security, and other humanitarian activities which have been used as a tool of conflict utilized by the conflict elite.
- Expand the role of women in establishing, managing, and implementing women-centered and women-led initiatives and projects, and counter all forms of discrimination against them.
- Develop the economic policies and initiatives that enhance cooperation, voluntarism, participation, trust, shared values and other aspects of social capital.
- Engage persons with disabilities and wounded and other vulnerable people in the development process.
- Restrict any embedded identity politics in policies and activities.
- Address the consequences of the demographic imbalance in all policies and projects, such as the displacement, deaths, and dispersion of family members; and working to build social networks within the communities of IDPs and refugees, as well as between them and their host communities.
- Develop the economic policies or initiatives through open public

discussions, in addition to the evaluation of its implementation.

IV. Transforming exclusive institutions

Transforming the functions of state and the main political actors towards reestablishing peace and justice institutions is the most critical pillar of dismantling conflict economy. Key policies and interventions need to be adopted to establish formal and informal institutions that counter conflict economy and build peace and development foundations:

- Upgrade the society power and contribution in de facto institutions that associated with expanding its economic role.
 - Advocate for expanding public space to enhance participation and transparency.
 - Invest in reshaping the current institutions towards inclusivity, justice, and power sharing.
 - Create internal and external constraints towards the elimination of economic role of military and security forces and conflict elite particularly in the recovery and reconstruction efforts.
 - Adopt a participatory approach towards discovering the most just and sustainable solution of the conflict through open and transparent dialogue.
 - Ensure women's rights, gender equality and active participation in political social and economic institutions.
 - Guarantee the rights of voice expression and representation with equal opportunities for all.
 - Open the discussion on accountability and how to solve all these grievances and excludes political tyranny and fundamentalism and crony capitalists.
- Transform the public institutions towards its basic functions in providing security and protection, gaining legitimacy from people, and protect sovereignty through inclusive and accountable institutions.
 - Ensure the accountability and justice institutions through re-establish the legal system and legislative framework in addition to the informal mechanisms to deal with current and future grievances and disputes.
 - Address refugees' rights and investing in their capabilities and support dignity, voluntary, and secured return.
 - Empower local governance and enhance decentralization to ensure inclusive participation, transparency and accountability.
 - Expand the space of civil society in rebuilding social capital and to face the negative social phenomena emerged due to the conflict.
 - Develop the market institution to assure fair environment for productive private sector and constraint inequality and or abuse of resources or human capital.
 - Develop national political tools to develop social congruences and a shared vision at national level, and decompose the institutional foundations and powers associated with the violence and oppression.
 - Build the institutions capacity in terms of stewardship, human capital, efficiency, and equity.

V. Consolidation of external support

External support from the international and regional countries and actors has played contradictory roles. On the one hand, external interference has fueled the conflict economies

through the political and military and economic support and/or interventions for the warring parties; and on the other hand, intervention has attempted to mitigate the impact of conflict economies through political and humanitarian support for the Syrians inside and outside the country. The external support is crucial to transform the conflict economy and support sustainable development.

- Prioritize justice in all policies and interventions as a core foundation to transform the conflict.
- Halt the involvement in military trade and/or support for subjugating actors.
- Ensure consistency in countering the conflict elite and illicit activities and imposing negative incentives to all networks and actors involved.
- Enhance cooperation within key external actors and between them and the Syrian society and institutions.
- Upgrade solidarity between global civil society and Syrian civil society inside and outside the country.
- Concentrate on sustainable solutions through linking all support to inclusive development goals.
- Develop accountability through independent and transparent monitoring and evaluation system.
- Embed enhancing social capital in projects and interventions and countering the internal and external instrumentalizing of identity politics.
- Adopt the support that empowers local capacity and reduce dependency.
- Enable the refugees and assure their human security.

5.3 THE NODES STRATEGY

“NODES” stands for Nodes Overlapping

Development Strategy. It is a strategy towards ending the conflict. The building of new incentives and relations, and hence institutions, are long and slow processes that need to be developed on different levels to address the needs of people and communities. The strategy adopts a vision towards stability and prosperity and cementing solid ground for the peace process and ending the conflict and overcoming its devastating impact. However, the strategy does not assume that in the current situation there is an availability of unified and coordinated institutions that will design and/or implement the strategy. It rather suggests key elements that need to be considered in the development or implementation of any policies and initiatives and focuses on strengthening the relationship between the actors who are interested in utilizing development to counter the conflict dynamics and organically engage with society. Thus, it is a broad set of principles, proposing an interdependent and participatory model of building gradual foundations for peace. Clearly, the strategy assumes that there is no political settlement in the short term, even though it is a tool to accelerate the process.

The “NODES” adopts the following key elements and/or principles that need to be considered in the humanitarian and/or development initiatives or projects:

- Support better governance within the initiatives
- Adopt a participatory approach
- Counter conflict economy

“ The NODES strategy is a broad set of principles, proposing an interdependent and participatory model of building gradual foundations for peace.”

- Enhance linking and bridging social capital
- Create job opportunities
- Improve living conditions
- Reduce inequalities and prioritize conflict-affected groups
- Ensure environment sustainability
- Develop integral trans-communities, regions, and class connections
- Depend mainly on the availability of tangible and intangible resources
- Assure a Culturally appropriate modality

The coordination between the interested actors and implementers to gradually support the establishment of development nodes is a very important grounding step, yet to make these nodes sustainable there are crucial steps need to be taken to build interdependency between the nodes. This is particularly important in terms of social connections and relations across social and political divisions, human capital, energy and water supply, markets, infrastructure, and capital among other elements.

In this regard, the most affected areas and communities during the conflict should be prioritized for integration. The “NODeS” can support creating development hubs to recover the damaged areas and at the same time contribute to more balanced development and avoiding the concertation of the economy and services in big cities and encourage the return of the displaced people. For instance, small interventions and projects can be started in areas of Idleb, Ar-Raqqa, Daraa, Deir-ezzor, Al-Hasakeh, Rural Homs, and Rural Damascus to develop as NODeS that trigger development in these areas. The priorities of the areas can be defined based on the HuSI that has been developed for this report.

Moreover, NODeS needs to design the future integrations with other NODeS. Even if it is not applicable currently, it can create the need for more integration. The priority of integrations

has three motives: first, to rebuild the social networks and alleviate the social degradation, the NODeS need to bridge these cleavages across the country and especially across the different controlled areas, rural-urban, and more specifically within Homs, within Aleppo, Idleb-Lattakia, within Rural Damascus, and Daraa-As-Sweida, to name few as examples. Second, the efficiency of utilizing wider market, human capital, resources, energy, and infrastructure. Thirdly, empowering the political foundations of all communities and regions to be effective actors in forming the future public institutions that guarantee their rights and opportunities. It is worth mentioning that the key conditions in each project or initiative to succeed are the participation, transparency, solidarity, and efficiency to gain the trust of society and to ensure the adoption of new policies.

What can be the starting point? A potential strategy that can be part of the “NODeS” is the Integrated Food Security Strategy (IFS) (Candel, 2018) to counter conflict foundations; this has been suggested based on recent the SCPR report on food security in Syria (SCPR, 2019). The rationale behind addressing the food security strategy depends on several factors:

- a. The enormous food insecurity as the report highlighted in the previous sections, which reflecting urgent needs that must met on the short term;
- b. The relative low capital and infrastructure requirements that are needed to maintain or expand the agriculture and food processing activities;
- c. Availability of surplus labor force with the required skills who can be engaged in the food security activities;
- d. The local nature of the agriculture activities that are important to create recovery process on the affected cities and villages;
- e. The involvement of many actors including

UN agencies in supporting the food security related activities and interventions.

The integrated IFS needs to be designed to address all aspects of food security: availability, accessibility, use, and stability, through:

- Develop the agriculture production, food processing, energy and water.
- Create jobs and increase income to alleviate poverty
- Assure the quality of food locally
- Build sustainable projects and reduce dependency on imports and assistance
- Counter the conflict economy activities and enhance the culture of productive work
- Invest in the intangible heritage and engage with local culture
- Enhance cooperation and trust and upgrade the networks to strengthen solidarity
- Adopt inclusive and participatory governance local system among producers, distributors, and consumers, that invest in developing simple, effective, and accountable that considers the conflict context
- Integrate/return for displaced people
- Guarantee environment sustainability
- Develop the projects with local communities' participation and in coordination between key humanitarian, development and protection actors including civil society, private sector, and UN agencies

Figure 76: Integrated Food Security (IFS) Model



The most important aspect of the proposed IFS is organically engaging the efforts for food security with solidarity within and across locality, inclusive and accountable institutions, better health and education services and outcome, and human security. The IFS can be the trigger towards sustainable NODeS and upgrading the society power and plant the foundations to counter the conflict impact.

5.4 JUSTICE TO CHILDREN

The children of Syria will carry the conflict injustice to the future; they are the most vulnerable group of population who have few options and tools to avoid the conflict catastrophe. This strategy is a crucial step to intervene to handle the long-term impact of the long run. In this regard, the strategy suggests several policies and interventions that can be part of the effort to safeguard the next generation⁴⁹ :

- Ensure protection of girls and boys through strict procedures to stop the death of children; prevent all kinds of violations and violence against children; build a protective environment at the family and community levels to reduce vulnerabilities and risks to children; and establish a system to address children's human security needs.
- Adopt an inclusive social policy to increase child and adolescent participation, which aims to achieve social justice, decent and sustainable livelihoods, social integration, and the rights to participation, expression, and public accountability.

- Overcome the inequalities and exclusion and confronts the catastrophic impact of the conflict including destruction, social fragmentation, conflict economy, forced dispersion, and decomposes violence machine to achieve justice for the conflict victims.
- Advocate for the health for all children, which requires eliminating attacks on health facilities and staff; restoration of health services including restructuring the health system; and addressing the social determinants of child health and prioritize most vulnerable and affected children.
- Reinvest in a just, efficient and accountable education system, and providing safe learning space for all children with wide engagement of children and parents. Integrate the social capital and social cohesion in all types of formal and informal education; unify the curricula in participatory approach; adopt learning strategies that adapt policies to overcome conflict impact including the expansion of the informal education; compensate the loss of education years of adults, youth, and children; reduce disparities and giving priority to most vulnerable children, areas, communities; integrate learning strategies with other key socioeconomic policies to counter the underlying causes of conflict. Rehabilitate infrastructure in close cooperation with local community and all active actors; invest in human capital to creates a system of incentives for better quality of education; bridge the education outcome with inclusive economic recovery; plan for the educational needs of potential returnees.
- Support non-discriminatory rehabilitation of public and social infrastructure and services affected by the conflict; enhance the capacity and role of public financing and human resource development; expand early recovery efforts, and the restoration of livelihoods by supporting the rehabilitation of vital public services affected by the conflict and creating an environment for social and economic solidarity.
- Eliminate child labor and exploitation; create a better economic environment for children and their families through dismantling the conflict economies that exploits population

●● Highlight: The children of Syria will carry the conflict injustice to the future; they are the most vulnerable group of population who have few options and tools to avoid the conflict catastrophe. ●●

Conclusion

and resources and perpetuates poverty and deprivation; promote pro-poor economic growth which increases income and creates more jobs; promote diversification of the economy towards productive and reconstructive activities; design a comprehensive social security system that supports the security of vulnerable groups; improve the social and economic infrastructure in poor and damaged areas, and ensure access to social services; and prioritizing food security.

Throughout 2016-2019, subjugating powers in Syria have continued their use of violence and fear to subordinate the population, which in turn has entrenched a worsened degree of injustice in Syria. Identity politics has been one of the main policies fueling the conflict, through the abuse of the diversity in religions, ethnicities, economic and social backgrounds, relations and regions to create fragmentation and polarization that are needed to eliminate and dehumanize the other. The regional and international actors that are directly involved in the conflict have further aggravated the social fragmentation and inequality. Battles in Aleppo, Ar-Raqqa, Afrin, Ghouta, Hama, Idlib, Al-Hasakeh among many others were clear examples of using identity politics to escalate the war.

This report demonstrates that economic foundations have been transformed to self-sustained conflict economies in which the main capital stock was destroyed or reallocated to conflict-related activities, workers lost their jobs and a substantial part of the remaining job opportunities served the conflict. Economic institutions, including the market, have changed their policies and rules to support the new conflict actors. Injustice in Syria has become a system that includes inequality between people according to locations, gender, age, political affiliation, culture background, class, migration and hosting status.

The dimensions of human development witnessed catastrophic consequences in terms

of demographic distortions, forced displacement, loss of human capital, deprivation of education, accumulation of health burden, politicizing public services, widespread of poverty of food insecurity, gender injustice, children's rights violations and environmental degradations.

The deterioration of social capital reflected a significant aggravation of social injustice as it deteriorated the wealth of social relations and common values, harmed the social solidarity, and undermined people's capabilities and agency. Moreover, the conflict created distorted relations based on hate and rejection of others and perpetuated an environment of lack of sympathy, cooperation and trust. These distorted relations with huge grievances threaten the future of society to live in peace and integration. The damage of social capital was uneven across sex, class, regions, political affiliations, displacement statuses among other aspects.

The conflict-centered institutions are a key producer of injustice during the conflict, creating power dynamics that subordinate Syrians now and in the future. The conflict governance systems interlink organically external and local subjugating powers and vanish the space of people and society.

This report addresses the centrality of justice to transcend conflict through alternative strategies that are built on the public discussion and social choice to achieve decent human status. These alternatives are part of wider gradual and multidimensional approaches that adopt small yet symbolic steps that reduces people's grievances and establish foundations for future justice. These alternatives also falls within a long term vision focused on rebuilding institutions on the basis of justice, citizenship, democracy, the rule of law, inclusion, and accountability; to remove constraints on public liberties, and the production of knowledge; to solve urgent issues such as the catastrophe of detainees, kidnapped, forced disappeared persons, and the exploitation of women and children. Dismantling

Footnotes

1. Previous reports [Socioeconomic Roots and Impact of the Syrian Crisis (Jan, 2013); Syrian Catastrophe (June, 2013); War on Development (Oct, 2013); Squandering Humanity (May, 2014); Alienation and Violence (March, 2015), Confronting Fragmentation (Feb, 2016)], are available in English and Arabic on SCPR website <http://scpr-syria.org>.
2. <https://reliefweb.int/report/syrian-arab-republic/syria-unhcr-operational-update-january-july-2019>
3. Review: The World Bank and IMF article IV reports on Syria which celebrated the reforms in Syria; The doing business reports; and MDGs report by UNDP.
4. When person does not participate in labor force, he/she will not appear in unemployment indicators.
5. The percentage of workers in the informal sector is 62.4 per cent of the total employed, and 86% of those employed in the private sector in 2010.
6. On US President Donald Trump proclaiming that US recognises the Golan Heights as part of of Israel, on March 25, 2019. The White House <https://www.whitehouse.gov/presidential-actions/proclamation-recognizing-golan-heights-part-state-israel/>
7. SCPR (2019) Monthly Economic Bulletin, July (unpublished)
8. Katana, H (2019): background paper, SCPR
9. SCPR (2020) Monthly Economic Bulletin, March (unpublished)
10. SCPR (2019) Monthly Economic Bulletin, March (unpublished)
11. SCPR (2019) Monthly Economic Bulletin, March (unpublished)
12. Laham, F (2019): : Manufacturing sector in Syria", background paper, SCPR, unpublished.
13. US Embassy in Syria (2019) Passage of the Caesar Civilian Protection Act of 2019, <https://sy.usembassy.gov/passage-of-the-caesar-syria-civilian-protection-act-of-2019/>
14. More details in the following health and food security sub sections.
15. This section is based on SCPR (2020):" determinants of displacement in Syria".
16. UNHCR (2020) Syria Emergency, <https://www.unhcr.org/syria-emergency.html>
17. UNHCR (2020) Internally Displaced People, <https://www.unhcr.org/sy/internally-displaced-people>.
18. Reliefweb (2019) UNHCR Syria Situation Report for the North East Syria Humanitarian Emergency (As of 28 October 2019), <https://reliefweb.int/report/syrian-arab-republic/unhcr-syria-situation-report-north-east-syria-humanitarian-emergency-28>
19. OCHA (2020) Syria: UN remains alarmed over safety of 3 million civilians, <https://www.unocha.org/story/syria-un-remains-alarmed-over-safety-3-million-civilians>
20. This section is mainly based on policy brief by Dahi, O (2019), prepared for this report.
21. USA for UNHCR (2020) Syria Refugee Crisis Explained, <https://www.unrefugees.org/news/syria-refugee-crisis-explained/>
22. <https://www.unhcr.org/5d08d7ee7.pdf>.
23. <https://www.theguardian.com/world/2015/sep/03/germany-refugees-munich-central-station>
24. <https://www.amnesty.org/en/latest/news/2017/03/eu-turkey-deal-a-shameful-stain-on-the-collective-conscience-of-europe/>
25. Relief web (2017) Lebanon: New Refugee Policy a Step Forward <https://reliefweb.int/report/lebanon/lebanon-new-refugee-policy-step-forward>
26. <https://www.unhcr.org/syria-emergency.html>
27. <https://www.unhcr.org/news/briefing/2018/1/5a548d174/survey-finds-syrian-refugees-lebanon-poorer->

- vulnerable-2017.html
28. <https://www.undp.org/content/dam/lebanon/docs/CrisisPreventionRecovery/SupplementArticles/16Supp/PEACE%20BUILDING2%2016%20july%202017%20p4.pdf>
 29. <https://www.unfpa.org/news/%E2%80%9Clife-became-cage%E2%80%9D-syrian-girls-shed-light-conflict-vulnerability-and-cycle-abuse>
 30. Relief web (2017) Syria: Polio Outbreak <https://reliefweb.int/disaster/ep-2017-000066-syr>
 31. Washington Group on Disability Statistics, <http://www.washingtongroup-disability.com/>
 32. Status of women refers to the participation of women in public social activities, including their participation in voluntary civic work such as education, health, and social solidarity initiatives, as well as public cultural events.
 33. U.S. Department of State. (2015). Trafficking in Persons 2015 Report: Country Narratives: Syria. [online] Available at: <https://www.state.gov/j/tip/rls/tiprpt/countries/2015/243543.htm> [Accessed 22.3.2020].
 34. Report of the UN Commission on the Impact of Drought and Climate Change on the Agricultural Sector 2008-2009.
 35. Bertelsmann Stiftung (2019) Transformation Index BTI, <http://www.bti-project.org>
 36. <https://www.scp-syria.org/development-policy-forum/>
 37. We dropped ISIS from this exercise as its military and political control almost disappeared since spring 2019.
 38. Legislative Decree 66 of 2012 establishing two regulatory zones within the Damascus governorate within the general photographer of the city of Damascus.
 39. Legislative Decree No. 19 of 2015 on the permissibility of establishing private Syrian holding companies based on social, economic and organizational studies in order to manage and invest the property of administrative units or part of them.
 40. It is supported financially and militarily by Hayat Tahrir al-Sham (HTS). It has eight regional Courts of First Instance, dealing with first instance cases (transactions, civil status, penal), the Central Criminal Court dealing with criminal cases such as murder and corporal punishments (hudood), the Central Court of Appeal (hearing appeal cases), and two military tribunals (specializing in adjudicating cases in which the defendant is a combatant), as well as the administrative court (which handles administrative cases brought by a body or institution).
 41. Al Jumhuriya, Judiciary in Idlib: Factionalism and Multiplicity of References, September 2018.
 42. <https://www.bti-project.org/en/home/>
 43. This section is based on a background note by Maxwell Gardiner 2019 "The Role of International Agencies in Dismantling the Conflict Economy in Syria " SCPR and the results of Development Policy Forum (Roundtable No. 5).
 44. This section is based on a background note, 2019 prepared by Diana Bashour for this report.
 45. UK Government (2019) UK Sanctions on Syria, <https://www.gov.uk/government/collections/uk-sanctions-on-syria>
 46. United States of America House of Representatives (2019) National Defence Authorisation Act for Fiscal Year 2020, <https://www.congress.gov/116/crpt/hrpt333/CRPT-116hrpt333.pdf>
 47. Ibid
 48. Development Policy Forum (2020): "The Political Economy of Constitution," The sixth roundtable, Syrian Center for Policy Research. <https://www.scp-syria.org/development-policy-forum/>
 49. Report for the UNICEF 2019

References

the structures of political, military, fanatical, and economic subjugation is the cornerstone of overcoming the tragedy and ensuring that it will not be repeated in the future.

The recent global Coronavirus epidemic adds another layer of injustice and at the same time urges the need for solidarity and transcending the intractable conflict. The impact and response to the COVID-19 will be part of the future research agenda that this series of reports will address.

ACLED (2020). Armed Conflict Location & Event Data Project (ACLED); <https://www.acleddata.com>.

Al Najafi, Imad Hasan et al (2010). Agricultural policy and wide view of achieving food security: indicators about Syrian agricultural economics, *Tanmyat ar-Rafidayn*, issue 100, volume 32, P: 67 - 81 (In Arabic).

ANND, (2017). Arab Watch Report on Informal Employment, The Arab NGO Network for Development, Beirut. <http://www.annd.org/english/itemId.php?itemId=498>

Arab Center for Research and Policy Studies (2014). What is justice? Solutions in the Arab Context. Multiple authors, first edition.

Barakat, H. (2006). *Contemporary Arab Society*, Beirut: Center for Arab Unity Studies (in Arabic).

Beresnevieiute, V. (2003). *Dimensions of Social Integration: Appraisal of Theoretical Approaches*, Institute for Social Research, Vilnius: Ethnicity Studies.

Bertelsmann Stiftung (2019). BTI 2018. Bertelsmann Stiftung, 2018.

Central Bank of Syria (2000-2011). *Quarterly Statistical Bulletins*, Damascus (in Arabic).

Central Bureau of Statistics in Syria (1963-2018). *Statistical Abstracts, Household Income, and Expenditure Surveys, Labour Force Surveys, Household Health Surveys* (in Arabic).

Cohn, C (2012). *Women and Wars: Contested*

Histories, Uncertain Future, Cambridge, Polity.

Dahi, O. (2019). *Syrian refugees: the injustice abroad*. Background paper for the Justice to Transcend Conflict Report, Syrian Center for Policy Research.

Deutsch, M. (2005). *Maintaining Oppression Beyond Intractability*, in Burgess, G. and Burgess, H. (ed) *Conflict Information Consortium*, Boulder: University of Colorado, Boulder.

<http://www.beyondintractability.org/essay/maintaining-oppression>.

Deutsch, M. (2011). *A Utopian Proposal for Changing the World*. In P.T. Coleman (Ed), *The Morton Deutsch's Legacy*. Springer New York.

Ekman, M. (2017). *ILAC Rule of Law Assessment Report*, International Legal Assistance Consortium. <http://www.ilacnet.org/wp-content/uploads/2017/04/Syria2017.pdf>

Evans, Goldstein, and Papova, (2015). *Health Care Workers Mortality and the Legacy of Ebola Epidemic*. *The Lancet Global Healthy*. Volume 3, No. 8, e439–e440, August.

Fouad, F.M., et al (2017). 'Health workers and the weaponisation of health care in Syria: A preliminary inquiry for The Lancet–American University of Beirut Commission on Syria,' *The Lancet*, 390(10111), 2516-2526.

Humanitarian Needs Assessment Programme (HNAP) (2018).

https://reliefweb.int/sites/reliefweb.int/files/resources/2018_syr_hno_english.pdf

Humanitarian Needs Assessment Programme (HNAP) (2019) *Disability: Prevalence and Impact*. A Nationwide Household Survey Using Washington Group Methodology. https://www.globalprotectioncluster.org/wp-content/uploads/Disability_Prevalence-and-Impact_FINAL-2.pdf

Humanitarian Needs Overview: Syrian Arab Republic (HNO) (2018). <https://reliefweb.int/report/syrian-arab-republic/2018-humanitarian->

needs-overview-syrian-arab-republic-enar

Johnston, D. (2011). *A Brief History of Justice*, John Wiley & Sons

Justino, P. (2009). *The Impact of Armed Civil Conflict on Household Welfare and Policy Responses* (research working paper 12), MICROCON.

Katana, H (2019). *Agriculture sector in Syria*. background paper, SCPR, unpublished.

Laham, F (2019). *Manufacturing sector in Syria*”, background paper, SCPR, unpublished.

Maiese, M. (2003). *Justice Conflicts*, in Burgess, G., and Burgess, H. (ed) *Beyond Intractability*, Boulder: Conflict Information Consortium, University of Colorado. <http://www.beyondintractability.org/essay/justice-conflicts>.

Masri, F. (2017). *Amid War, Women Are Starting to Make a Mark on Syrian Politics*. Syria Deeply.

Maxcy, S. J. (2002) *Ethical School Leadership*. Scarecrow Education.

Miller, D. (2017). *Justice*, in Zalta, E.N. (ed) *The Stanford Encyclopedia of Philosophy*.

<https://plato.stanford.edu/archives/fall2017/entries/justice/>.

Ministry of Education in Syria, (2010 – 2019). *Data on education in Syria, Damascus: (in Arabic)*.

North, D. (1990). *Institutions, Institutional Change and Economic Performance*, Cambridge: Cambridge University Press.

OCHA (2020). *Syria: UN remains alarmed over safety of 3 million civilians*, <https://www.unocha.org/story/syria-un-remains-alarmed-over-safety-3-million-civilians>.

Pabst, A. and Scazzieri, A. (2016). *The Political Economy of Constitution*, *Economia*, 6(3), 337-362.

Physicians for Human Rights (2015). *Anatomy of a Crisis a Map of Attacks on Health Care in Syria*,

www.s3.amazonaws.com/PHR_syria_map/methodology.pdf.

Piketty, T. (2017). *Capital in the twenty-first century*, Cambridge: The Belknap Press of Harvard University Press.

Piketty, T. (2020) “*Capital and Ideology*” Harvard University Press.

Planning and International Cooperation Commission in Syria (2009). *Mid Term Review: 10th Five Year Plan 2006-2010*. (In Arabic).

Raleigh, Clionadh, Andrew Linke, Håvard Hegre, and Joakim Karlsen. (2010). “*Introducing ACLED-Armed Conflict Location and Event Data*.” *Journal of Peace Research* 47(5) 651-660.

Rawls, J. (1971) *A Theory of Justice*. Cambridge, MA: Harvard University Press

Rawls, J. (1993) *Political Liberalism*. Columbia University Press

ReliefWeb. (2017). *Urgent Call to Address Gender-based Violence in Syria*. Accessed on December 3.2020

Roberts, J (2015). *Inequality, not unavailability, is the main driver of food insecurity – Prof. Johan Swinnen, Horizon*, <https://horizon-magazine.eu/article/inequality-not-unavailability-main-driver-food-insecurity-prof-johan-swinnen.html>.

Safeguarding Health in Conflict Coalition (2018). *Attacks on Healthcare in 2017*, Geneva: SHCC and Insecurity Insight.

Sami et al (2014). *Polio Global Eradication Initiative. Fact Sheet: Vaccine-Derived Polioviruses*, Polio Global Eradication Initiative.

Save the Children (2017). *Invisible Wounds: The impact of six years of war on the mental health of Syria’s children*.

Schröder, H.; Zok, and Faulbaum, F. (2018). *Gesundheit von Geflüchteten in Deutschland – Ergebnisse einer Befragung von Schutzsuchenden aus Syrien, Irak und Afghanistan*, WldoMonitor.

- Shawqi, Mohamed (2016). Livestock in Syria: High Production Costs and Under Threat. Al Hal website (in Arabic)
- Selby J., Dahi S. O., Fröhlich C., Hulme, M. (2017). Climate Change and the Syrian Civil War. *Political Geography* Volume 60, September, PP 232-244 <https://doi.org/10.1016/j.polgeo.2017.05.007>
- Sen, A. (1999). *Development as Freedom*, Oxford: Oxford University Press.
- Sen, A. (2002). Why Health Inequality? *Health Economy*, 11, 659–666.
- Sen, A. (2009). *The Idea of Justice*, London: Penguin Books.
- Sousa, C. (2013). Political Violence, Collective Functioning and Health: A Review of the Literature, *Medicine, Conflict, and Survival*, 29(3), 169-197.
- StataCorp (2015). *Stata Statistical Software: Release 12.1*. College Station, Texas: StataCorp.
- Syrian Center for Policy Research (2013a). *The Socioeconomic Roots and Impacts of the Syrian Crisis* Damascus. <https://www.scpr-syria.org/socioeconomic-roots-and-impact-of-the-syrian-crisis-2013/>
- Syrian Center for Policy Research (2013b). *The Syrian Catastrophe*, UNRWA, SCPR. <https://www.scpr-syria.org/the-syrian-catastrophe-socioeconomic-monitoring-report-first-quarterly-report-january-march-2013-2/>
- Syrian Center for Policy Research (2013c). *Alternative Solutions for Syrian Crisis*, research paper presented in the Conference 'Towards a Strategic Solution to the Syrian Crisis', Beirut.
- Syrian Center for Policy Research (2013d). *War on Development*, UNRWA, UNDP, SCPR. <https://www.scpr-syria.org/squandering-humanity-socioeconomic-monitoring-report-on-syria-2/>
- Syrian Center for Policy Research (2014). *Squandering Humanity*, UNRWA, UNDP, SCPR. <https://www.scpr-syria.org/squandering-humanity-socioeconomic-monitoring-report-on-syria/>
- Syrian Center for Policy Research (2015). *Alienation and Violence*, UNRWA, UNDP, SCPR. <https://www.scpr-syria.org/scpr-alienation-and-violence-report-2014-2/>
- Syrian Center for Policy Research (2016a). *Confronting Fragmentation*, SCPR, Beirut. <https://www.scpr-syria.org/confronting-fragmentation/>
- Syrian Center for Policy Research (2016b). *Forced Dispersion, A Demographic Report on Human Status in Syria*, SCPR, Tadween Publishing. <https://www.scpr-syria.org/forced-dispersion-syrian-human-status-the-demographic-report-2016/>
- Syrian Center for Policy Research (2017). *Social Degradation in Syria*, SCPR, Beirut. <https://www.scpr-syria.org/social-degradation-in-syria/>
- Syrian Center for Policy Research (2019). *Food Security & Conflict in Syria*, SCPR, Beirut. <https://www.scpr-syria.org/launch-of-food-security-conflict-in-syria-report/>
- Syrian Center for Policy Research (2020a). *Conflict Economies in Syria: Roots, Dynamics, and Pathways for Change*; Development Policy Forum, working paper No.1, SCPR, Beirut.
- Syrian Center for Policy Research (2020b). *The Role of Institutions in Economies of Violence and Alternative Policies*; Development Policy Forum, working paper No.2, SCPR, Beirut.
- Syrian Center for Policy Research (2020c). *The Role of Syrian Civil Society in Dismantling Conflict Economies*; Development Policy Forum, working paper No.3, SCPR, Beirut.

- Syrian Center for Policy Research (2020d). Monthly Economic Bulletin, Jan 2016-Feb 2020, SCPR, Beirut, unpublished.
- Syrian Observatory for Human Rights (2019). Number of direct conflict deaths.
- The German Federal Office for Migration and Refugees, (2018).
https://www.bamf.de/EN/Startseite/startseite_node.html
- The World Bank (2019). World Development Indicators 2019 Database.
- The World Bank & UN, (2018). Pathways for Peace Inclusive Approaches to Preventing Violent Conflict, Washington D.C: The World Bank.
- Trends in International Mathematics and Science Study (2011). International Results in Mathematics, International Association for the Evaluation of Educational Achievement (IEA).
- United Nations (2015). Fight against Sexual Violence in Conflicts Reaches 'New Juncture', Security Council Told. Security Council Meeting Coverage. <http://www.un.org/press/en/2015/sc11862.doc.htm>.
- UNHCR (2019). Syria Situation Report for the North East Syria Humanitarian Emergency (As of 28 October 2019), <https://reliefweb.int/report/syrian-arab-republic/unhcr-syria-situation-report-north-east-syria-humanitarian-emergency-28>.
- UNHCR (2017). Sexual Violence Against Men and Boys in The Syria Crisis.
<https://data2.unhcr.org/es/documents/download/60864>
- UNHCR (2020a). Internally Displaced People, <https://www.unhcr.org/sy/internally-displaced-people>.
- UNHCR (2020b). Syria Emergency, <https://www.unhcr.org/syria-emergency.html>
- UNHCR, UNICEF, WFP (2017). Vulnerability Assessment of Syrian Refugees in Lebanon.
- Passey, M (2018). How Migration to Europe Affects those Left Behind, Forced Migration Review. <https://www.fmreview.org/syria2018/passey>
- United Nations (2019). Conflict-related sexual Violence, a report of the United Nations secretary-general S/2019/280. <https://www.un.org/sexualviolenceinconflict/wp-content/uploads/2019/04/report/s-2019-280/Annual-report-2018.pdf>
- United Nations Children's Fund (2016). Analysis of the Crisis Impact on the Educational Sector in the Government Controlled Areas 2010 – 2015, UNICEF in cooperation with Syria Education Sector Working Group and Whole of Syria Education Focal Point.
- United Nations Children's Fund (2017). Preparing for the Future of Children and Youth in Syria and the Region through Education: London One Year On, Brussels Conference Education Report.
- United Nations Children's Fund (2018). No end in sight to seven years of war in Syria: children with disabilities at risk of exclusion. <https://www.unicef.org/eca/press-releases/no-end-sight-seven-years-war-syria-children-disabilities-risk-exclusion>.
- United Nations Development Programme (2010). Human Development Report, New York: UNDP.
- United Nations Development Programme (2015). Human Development Report, New York: UNDP.
- United Nations Development Programme (2019). Human Development Report: Beyond Income, Beyond Averages, Beyond Today: Inequalities in Human Development in the 21st Century, New York: UNDP.
- United Nations High Commissioner for Refugees (2014). Women Alone: The Fight for Survival by Syrian Refugees Women. <http://www.refworld.org/pdfid/53be84aa4.pdf>.
- United Nations Women (2018). Crisis Update:

Women of Syria, Eight Years into the Crisis.

<https://www.unwomen.org/en/news/stories/2018/8/feature-syria-humanitarian-update>

Walzer, M. (1983). Spheres of Justice. Basic Books

Westlake, M (2001). Syrian Agriculture at the Crossroads, Food and Agriculture Organization of the United Nations, Policy Assistance Division.

Whole of Syria (2018). Whole of Syria Health Cluster Bulletin,

https://reliefweb.int/sites/reliefweb.int/files/resources/whole_of_syria_health_cluster_bulletin_sept_2018.pdf

Whole of Syria Report (2018). Protection Needs Overview V2; Protection Sector.

<https://reliefweb.int/sites/reliefweb.int/files/resources/protection.pdf>

World Health Organisation (2015a). HeRAMS Report January-June, 2015: Public Hospitals in Syria, WHO in collaboration with MoH and MoHE.

World Health Organisation (2015b). HeRAMS Report January-June, 2015: Public Health Centers in Syria. WHO in collaboration with MoH and MoHE.

World Health Organisation (2016). HeRAMS December 2016: Snapshot for Public Hospitals in Syria. http://applications.emro.who.int/docs/COPub_SYR_Dec_2016_EN_19337.pdf?ua=1.

World Health Organisation (2017). Health Care a Casualty of 6 Years of War in the Syrian Arab Republic. <http://www.who.int/mediacentre/news/releases/2017/syria-six-years/en/>

World Health Organisation (2020). Syrian Arab Republic: WHO and UNICEF Estimates of Immunization Coverage: 2018 revision. http://www.who.int/immunization/monitoring_surveillance/data/syr.pdf

Annex 1: Methodology

The report used results and methodology Human Status Framework in Syria which implemented in a comprehensive survey conducted in the mid of 2014 and covered all regions in Syria. The survey divided Syria into 698 studied regions and questionnaire three key informants, with specific criteria that guarantee inclusiveness and transparency, from each region. Moreover, the survey applied a strict system of monitoring and reviewing to ensure the correctness of responses. About 300 researchers, experts, and programmers participated in this survey. A partial update has been made to the survey in the year 2019 at the governorate level, which was the base for constructing the Human Status Index, which includes demographic, economic, social, human and institutional development. The index and its components contain several sub-indicators that measure the different effects of the conflict.

The human status framework helped in a multi-dimensional diagnosis at the level of each administrative region, which enabled the assessment of disparities across the country and enabled tests to be conducted on the relationship of variables across regions such as the relationship of the institutional performance with the conflict economy, the health system, social capital, and others.

The report also relied on many background papers by sector specialists, dozens of key interviews with key individuals and extensive dialogues that took place through the Development Policy Forum. In addition to relying on many secondary sources to supplement or validate the report estimation.

This series of reports estimate the GDP in Syria, the estimation of GDP real growth/contraction during the period 2012-2019 depends on a production approach to estimate the supply-side dynamic of different economic sectors. This approach faces many challenges in Syria including the lack of credible surveys and secondary data due to the difficulty of conducting such work under the prevailing circumstances.

The dynamics of conflict have increased the need of various stakeholders for updated estimation

of the economic situation. In order to overcome the above challenges, the report used changes of production quantities of key goods and services as proxies to the growth/contraction of GDP by sectors. Moreover, sub-sector categories are being weighted based on their level and share of production in the previous year. The team consulted sector experts to diagnose the main challenges for each sector and to check the reliability of GDP estimations.

Moreover, the report used the financial programming, which is an integrated system of macroeconomic accounts that includes national accounts, balance of payments and fiscal and monetary accounts, which provide the information needed to assess the impact of the conflict on the Syrian economy and the options for policy adjustment. The tool also provides a framework for policy analysis and indicates key consistency checks. SCPR integrated capital stock calculations, money-metric poverty at the household level and labor market performance, with standard financial programming. The financial programming tool has been chosen over macroeconomic time-series and CGE models as these do not efficiently account for dramatic changes in economic variables due to the conflict.

In terms of the GDP components from the demand-side; the public consumption and investment elements are based on estimations of the public budget components, private investment is estimated by the changes in private output in real sectors, and exports and imports are estimated using the gravity model for Syria and checked with the quantities of imports and exports through ports, the WITS data was used to validate the estimations.

The estimation of capital stock and depreciation rates are based on the 2013 SCPR report (SCPR, 2013a). The total loss of capital stock is calculated on the loss of residential buildings (using updated estimations) and the loss in non-residential buildings, while equipment and tools are estimated using the output capital ratio. This loss consists of three main components: reduction in net investment due to the crisis;

idle capital reflecting the cessation in production process; and, partial and total damages of the capital stock. The last component is not included in GDP loss and is thus added to overall economic loss.

The GDP in current prices is computed using the projections of GDP deflator which depends primarily on the Consumer Prices Index (CPI). SCPR recalculated the official CPI till Feb 2020 based on data on food and energy prices from secondary source. The report estimated the number of lost jobs and unemployment rates until 2019, using the elasticity of GDP with respect to employment.

The report projected public budget items depending on government decisions related to public expenditure in terms of wages, subsidies, and public investment, while the revenue projections depended on oil production, tax collection, and State-Owned Enterprises performance. Consequently, the report computed the fiscal deficit which reflected an increase in public debt.

In terms of poverty, using national lower and upper poverty lines (based on poverty research from HIES surveys in 2009) the report estimated poverty rates in Syria until December 2017 across governorates using micro simulation approach based on the prices and consumption growth.

It should be noted that the estimation of losses in GDP, capital stock, employment, and years of schooling indices are the difference between the conflict scenario (real indices) and the counterfactual scenario, which include indices as if the conflict did not happened. That helps in estimating direct and opportunity loss of the conflict.







info@scpr-syria.org
scpr-syria.org
