

CORONA AND THE DRAINED SYRIAN ECONOMY

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 Analysis

As the fighting in Idlib, Syria's last opposition area, subsided after the Turkish-Russian truce was declared in March 2020, Syrians in Idlib tried to familiarize themselves with new displacement conditions in an attempt to catch a breath.

But the Corona pandemic that is dragging with it horrendous economic implications as a result of governments' policies, has also had direct and indirect impacts on Syrians be it in opposition-held areas or in Al-Assad regime's areas.

Until halfway through May, no Corona case has been recorded in Idlib after more than 650 tests, while official figures record nearly 60 cases in Al-Assad regime areas. The economic impact of the pandemic has been harsher on Syrians than the health impact.

Retreat in Humanitarian Support as Usual

"Contributions have declined greatly in comparison with previous years due to the negative economic impact of the Corona epidemic and the government action against it, which caused a total or partial loss of sources of income for many individual donors whom were the basis of donations this season", said Ghiath Al-Zayn, executive head of the Ghras Al-Nahda organization that works in northern Syria.

Al-Zayn said that the common diaspora support provided by small institutions and private groups during the month of Ramadan have been completely disrupted for security or economic reasons, while support for earlier projects, such as education and restoration projects are still in place. He also confirmed that the recent United

Nations relief convoys that entered Idlib late are still insufficient to meet the local needs.

“Comparing the provided assistance with the needed figures reported by the United Nations and the OCHA offices at the beginning of the year shows the enormous gap which cannot be filled by small contributions. It needs a large state’s efforts and global organizations.”

Al-Zayn considered that the “Corona Crisis” has exacerbated the difficulties in fundraising donations from expatriates in many countries as a result of the imposition of curfew, on top of banking transfer difficulties due to the suspension of many money transfer services to Turkey years ago.

Also, many Syrian NGOs faced extra difficulty in transferring donated funds to Idlib - which has always faced a liquidity crisis - and in responding to government and donor scrutiny requirements.

Al- Zayn added that in addition to coordinating challenges with all the working institutions and local councils in dealing with demanding but not-enough-understanding beneficiaries, the negative effect of some working groups’ mistakes can severely threaten the reputation of all relief workers and create popular discontent.

A big drop in humanitarian response causing only 27.4% coverage from the total needs was observed by organizations operating in Idlib. This was due to the poor financing in supporting this kind of projects, according to the “Response Coordination Group.”¹

NGOs projects focused on specific areas such as commonly known camps, villages, and towns, ignoring the huge need in random camps, towns, and villages closest to the warzones, where which many of the people return to after the armistice between Turkey and Russia on March 6 took place.

A humanitarian needs assessment published on April 12 by the Reliefweb platform, which relies on the United Nations’ statistics, showed that 81% of the people in Idlib face problems

in obtaining humanitarian assistance, while only 49% of them are able to have three meals a day, the rest living on one or two meals.²

HTS is Looking for new financial resources.

While many NGOs fired their warnings and fears that the Corona pandemic might reach Idlib and cause a huge disaster hence call for adherence to COVID-19 prevention methods; Hayat Tahrir Al-Sham (HTS), which controls several parts of Idlib, launched a campaign to reopen commercial crossings with Assad-controlled areas to secure their needs of goods, financial liquidity, and to secure the interests of traders and farmers and to ensure the purchase their produce before the depression hits, indicating that it would take all measures to ensure safe entry and disinfection of goods.

The HTS policy was met with public outrage, with many civilians demonstrating on the roads and blocking their trucks, which was faced with bullets by HTS members, who killed some demonstrators and wounded others.

This made the situation became worse. Other clashes took place between members of HTS and the Turkish army forces stationed on M4 highway at the end of April, causing three deaths of HTS members who were trying to fire a Turkish army anti-armor missile.

On the other hand, HTS authorities had previously incited and led the local population to carry out sit-ins on the M4 highway in order to block the implementation of the Russian-Turkish agreement of joint military patrols on the road, and HTS had attempted to utilize the sit-ins as a means of pressure to allow the opening of such commercial corridors which it insisted on.

Hunger and Needs: Life under Al-Assad Regime’s Control

Despite the Al-Assad government’s attempts to show that life has returned to normal, conditions in Al-Assad regime’s areas have not been better

than in Idlib. As a result of the government's COVID-19 measures, many Small to Medium Enterprises (SME)s suffered big losses and some of them were forced to close and expel their employees without any governmental plans to support them.

In addition, the government actions in facing the Corona pandemic has cost an unprecedented spike in food commodity prices, with some vegetables and fruits reaching record levels, while many vendors stopped selling essential items such as rice and monopolized them without any control.

A government official Abed S., said that his family of five's main meal, which contains no meat or chicken, costs at least \$5 a day due to severe austerity. His salary is not enough to buy more than six meals a month, so he usually has to go into debt, wait for help from relatives

outside Syria, or try to work part-time outside working hours which is not available under the current conditions.

Abed pointed out that economic conditions were getting worse for all Syrians, especially with the rapid collapse of the Syrian currency, the absence of relief organizations, and the halting of money remittances from abroad.

Earlier, Syrian official data estimated that a family of five would need between \$300 - \$360 a month to cover their basic needs, while the government's average salary is \$23 - \$30, and that of private companies \$45 - \$75 on an exchange rate of 1,300 Syrian liras to \$1.³

Syria has also recently topped the poorest countries with a rate of 82.5% according to the World by Map data, while the UN estimates that nearly 11.7 million Syrian people need humanitarian assistance throughout Syria.

Endnotes

- ¹ Response Coordination Group Facebook page, 30/4/2020 , <https://bit.ly/2Te4w0b>
- ² Northwest Syria: Multi-Sectoral Rapid Needs Assessment: Focused on recent displacement in northwest Syria, March 2020, <https://bit.ly/2TaAWJe>
- ³ On the first Ramadan day... European prices with zero Syrian income, eqtsad.net , 24/4/2020, <https://bit.ly/2LCwf6x>