

# Strategic Analysis Paper

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## Food Security in the Middle East During the Covid-19 Pandemic: From Bad to Worse

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### Key Points

- Many countries in the Middle East were already vulnerable to food insecurity and economic shocks before the events of 2020.
- As lockdown measures took effect, incomes and employment fell drastically.
- Pandemic-related lockdowns and a crash in oil prices have devastated some of the economies of the region, especially among the already-vulnerable.
- Economic shocks and falling incomes have eroded food security, especially for the region's poorest. Refugees and those in vulnerable countries have been especially affected.

### Summary

Starting in late 2019 a series of crises gripped the Middle East, leaving economies in chaos and eroding food security in much of the region. Ongoing conflicts and economic instability have left several countries in the Middle East especially vulnerable to the events of this period. An economic crash has left Lebanon in a rapidly deteriorating situation that has also impacted its neighbours, while Yemen, Syria and Iraq have all been left vulnerable to shocks, due to ongoing or recent conflicts. Other countries in the region have also faced difficult food security contexts due to ongoing recessions or the presence of large refugee populations (who can face particular difficulties in accessing food).

The multiple crises of 2020 have been catastrophic for economies across the region, with economies sharply contracting around March 2020. Unemployment rates, already among the highest in the world, peaked as informal and formal employment opportunities fell, as

lockdown measures took place. As a result, remittances – which are a vital source of income for some households – also fell sharply. The region’s well-documented vulnerability to oil price shocks was also a source of major economic distress. Oil prices briefly turned negative in April 2020, for the first time in history, which not only caused problems for the Middle East’s oil-exporting countries, but also had no real benefit for oil importers in the region. While the sector has stabilised, it is possible that oil prices may never recover to pre-2020 levels.

As a result of these issues, food security has slumped in much of the region, with the most precarious countries experiencing the worst declines. The number of people unable to consume enough food and people using negative coping strategies spiked alarmingly in Iraq during 2020 and has not returned to pre-pandemic levels. Lebanon has also experienced a severe decline in food security as incomes have fallen and food prices have spiked. Food price increases have also been responsible for worsening food security in places like Iran and Syria.

### Analysis

A series of crises and misfortunes made 2020 a year of heightened food insecurity in the Middle East, a situation that will very likely persist in 2021. The Covid-19 pandemic, a slump in oil prices, climate shocks, conflict and ongoing economic troubles were all responsible for creating a ‘perfect storm’ of food insecurity in an already-vulnerable region.

#### *Food Insecurity in the Middle East: A Regional Context*

Even before a series of shocks in 2020, the region had already experienced [increasing levels](#) of food insecurity. The trend was especially severe in Yemen and Syria, where conflict has been a key driver of undernourishment for a number of years. Millions of [displaced people](#) from conflict zones have also complicated food security in other countries in the region. According to the [Food and Agriculture Organization](#), Western Asia (a region that includes the Middle East) is the only region in the world where the prevalence of undernourishment is not stable, and is instead worsening, due to protracted crises.

Several regional countries have been especially vulnerable to food insecurity, mostly due to conflict or economic instability. In Lebanon, a major economic crisis erupted in late 2019. By November that year, the country had the [third-highest](#) debt-to-GDP ratio in the world and an unemployment rate of 25 per cent. The Lebanese economy has continued to deteriorate since then. In Yemen, a conflict that began in 2015 caused an economic collapse and food price spikes that have led to Yemen becoming the recipient of the [World Food Programme’s](#) largest emergency response in the world. Even before the pandemic, there were more than [20 million food insecure people](#) in Yemen, due to high food prices and a fall in the value of the Yemeni riyal.

Syria has also seen conflict erode its food security. Prior to 2011, food security was generally high, and agriculture formed a major part of the economy. Between 2010 and 2014, levels of food security fell by [around 34 per cent](#) and continued to fall (albeit less sharply) between 2014 and 2018. In Iraq, years of conflict and economic turmoil have made the country extremely vulnerable to further shocks, even after the conflict has largely ended. In 2019, unemployment was around [ten per cent](#) (a figure that rose as high as 25 per cent in some

governates) and [22.5%](#) of the population was left below the poverty line, while another 30 per cent was extremely vulnerable to falling into poverty and food insecurity.

Other parts of the Middle East were also vulnerable to increased levels of food insecurity, even in countries not experiencing major economic collapse and conflict. Iran, for example, is the [second-largest](#) economy in the region but is highly vulnerable to external shocks. In 2020, Iran entered its [third consecutive year](#) of recession (a one off boost to oil [buoyed the economy](#) in the 2016/17 period). By late 2018, the Iranian rial had depreciated to over [140,000 rials](#) to the dollar (Iran experienced one of the most severe episodes of currency depreciation that year) and black market activity soared. Food prices also hit their highest point in four years, rising by [36 per cent](#) compared to 2017. Meanwhile, Jordan, which is generally considered to have high levels of food security, is home to millions of (mostly Syrian) refugees, who faced growing difficulties in securing basic needs such as food prior to 2020. Jordan [also experienced](#) high levels of public debt and a stagnating economy, leading up to 2020.

### *2020: A Year of Catastrophe for Middle Eastern Economies*

Almost a year after the Covid-19 outbreak was officially declared a pandemic, the overall impact of the pandemic on food security is finally growing clearer. The pandemic has been a significant driver of economic instability in the region and the effects will likely be long-lasting. The virus initially [spread to Iran](#) and quickly appeared in other countries in the region, though it is difficult to ascertain how severely many Middle Eastern countries have been infected due to reduced testing capabilities in much of the region (high rates of Covid-19 infections in Qatar and Bahrain almost certainly reflect this issue). The economic fallout was swift, most likely peaking in the [second quarter](#) of 2020. Lockdown measures, which were necessary to help prevent the spread of the virus, were partly responsible for the sharp economic contraction that [began in March](#).

The lockdowns and other measures used to contain the pandemic had a number of repercussions for economies in the region. There have been severe problems for labour markets across the Middle East, a region where unemployment rates were already [among the highest](#) in the world. The situation has been particularly difficult for those employed in the informal sector, which is estimated to make up slightly over [two-thirds](#) of employment in the region. This is because of reduced access to markets (especially for agricultural workers) and because of reduced demand for services such as domestic work. In the first quarter of 2020, working hours in Arab states [declined by 1.8%](#), then by 10.3% in the second quarter. Remittances, which are a vital source of income for families in many parts of the Middle East, have also fallen sharply. According to the [International Monetary Fund](#), remittances to the Middle East and Central Asia are thought to have fallen by 19 per cent and could take up to four years to recover in some countries.

Economies in the region were also seriously disrupted by shocks to the oil market in early 2020. In April, oil prices briefly turned negative for the [first time in history](#). The slump was partly due to plunging demand that came with the spread of the pandemic and partly due to a [price war](#) between Russia and Saudi Arabia, both major oil producing countries. Although prices have recovered since the lows of March and April 2020, the Organisation for Economic Co-operation and Development has warned that [it is unlikely](#) that oil prices will rebound in

the same way they did after the 2008 recession and that it is possible that they may never recover to pre-pandemic levels. Oil exporting countries in the Middle East include Iran, Iraq and Yemen, which rank among the more vulnerable economies in the region. This has not translated into gains for oil importing countries, where any benefits have [been offset](#) by decreased trade, tourism and remittances.

### *Crisis, Food Security and the Future of the Region*

Economic turmoil has translated into an increase in poverty across the Middle East, with significant variance between countries. Iraq has seen the most severe increase in poverty due to the pandemic, with a [further 9.7%](#) of the population falling below the poverty line of US\$5.50 (\$7.10) per day. Iraq was already poorly-equipped to cope with economic instability prior to 2020, but the pandemic, oil price crash and regional economic instability have [had dire consequences](#) for government revenue, incomes and poverty levels, even as oil prices have stabilised. As the Iraqi economy plunged, so too did its food security. The number of people consuming insufficient amounts of food in Iraq [spiked from 1.5%](#) to seven per cent when the lockdown began and was as high as nine per cent in July. Similarly, around 13.7% of households reported using negative coping strategies to meet their consumption needs as of August 2020. As of September 2020, these figures [had not yet recovered](#) to pre-pandemic levels.

Similar challenges have been seen across the region. Food security in Lebanon degraded over the last year, due to the combined pressure of the pandemic and an economic situation that has continued to worsen since late 2019. In November-December 2020, [41 per cent](#) of households reported difficulties in accessing food and basic needs, mostly because of insufficient incomes (although travel restrictions were also a significant barrier to food security). Food inflation has also continued to rise. Between October 2019 and December 2020, the average cost of the most basic food items rose by an average of [183 per cent](#). The situation is likely to continue to worsen in the future, as the Lebanese Government announced that it does not have enough foreign reserves [to continue funding](#) subsidies on basic commodities, including wheat and approximately 300 other items in the food subsidy programme.

Food security has also deteriorated in Syria over the last year, with the country's tally of food insecure people increasing by 1.4 million between September 2019 and April 2020. The Syrian food security slump has been [strongly influenced](#) by the Lebanese economic downturn, as well as by the pandemic. In June 2020, the price of a standard food basket [was 48 per cent](#) higher than in 2019, making it more expensive than the average government salary. While it is difficult to get exact figures, estimates indicate that the food security situation has [continued to worsen](#) since June. Food price inflation has spiked in Iran, as currency depreciation and supply chain problems exposed [Tehran's dependence](#) on imported food.

The events and crises of 2020 exposed many of the Middle East's vulnerabilities to economic and food security shocks. It will take some time until food security recovers to pre-2020 levels. Until then, food security in the region remains very precarious.

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