



Deprivation of Bread and Energy: Policies Deepening Poverty in Syria

A Position Paper Issued by the Syrian Initiative for Fundamental Rights

6 July 2026

Wheat, bread, and energy constitute fundamental pillars of food security and livelihoods in Syria. They cannot be treated merely as expenditure items whose costs can be controlled through price increases and subsidy reductions without due consideration of the resulting social and economic consequences. This paper argues that the liberalization of bread and energy prices, together with rising agricultural production costs during the transitional period, does not represent economic reform in its developmental sense. Rather, these policies contribute to deepening poverty, undermining food security, and eroding social legitimacy. The paper therefore calls for a transitional social protection approach that guarantees access to bread, energy, and housing as essential prerequisites for a life of dignity, while linking producer support, wages, and public services to the actual cost of living and poverty lines.

Within this context, the Syrian Initiative for Fundamental Rights warns that treating wheat, bread, and energy merely as budgetary expenditure items whose subsidies can be reduced and prices increased reflects a dangerous departure from the social and political significance of food production in Syria. The legitimacy of a state emerging from a prolonged conflict should not be measured by its ability to raise prices or generate nominal fiscal surpluses, but rather by its capacity to ensure food availability, protect producers, and guarantee minimum access to energy, housing, and decent work.

Current policies raise serious concerns about the reconfiguration of the relationship between the state and society through bread and energy, treating them not as social rights and productive assets, but as instruments for redistributing the burden onto households and small-scale producers. Price liberalization, subsidy removal, and market opening—implemented without adequate social protection mechanisms or publicly available assessments of their economic and social impacts—expose the most vulnerable groups to successive livelihood crises. Moreover, the expanding allocation of public contracts, investment opportunities, and public services in the absence of sufficient transparency and accountability mechanisms may facilitate the concentration of benefits among a limited network of actors with privileged access to such opportunities. The result is a market lacking adequate social protection, growing tendencies toward privatization without clear safeguards, and revenue collection that is not grounded in a social contract, thereby risking the reproduction of some of the very policies that contributed to deepening the conflict.

With regard to wheat, the country's principal staple food, current policies have adversely affected agricultural production through a series of interconnected channels: rising energy, irrigation, and transportation costs; market liberalization without adequate protection for domestic productive sectors; and the determination of procurement prices without a clear linkage to the actual cost of production. Under Decision No. 94 of the Ministry of Economy and Industry, issued on 16 May 2026, the procurement price for one metric ton of first-grade durum wheat was set at SYP 4.6 million (approximately USD 337)¹. The decision triggered widespread objections from farmers, who argued that the price did not cover the

¹ Ministry of Economy and Industry of Syria. [Decision No. 94](#). Issued on 16 May 2026.



costs of fuel, seeds, fertilizers, spare parts, irrigation, harvesting, transportation, and exchange rate fluctuations. Subsequently, Legislative Decree No. 120 of 2026 introduced an incentive bonus of SYP 900,000 for each metric ton delivered to the Syrian Grain Establishment, raising the nominal procurement price to SYP 5.5 million per metric ton (approximately USD 403). Despite this increase, the procurement price remained below the level that many farmers considered necessary to cover production costs and secure a reasonable margin for the continued viability of agricultural production.

These developments have unfolded within an agricultural sector characterized by acute fragility. During the 2025 agricultural season, Syria experienced a severe drought, and the Food and Agriculture Organization of the United Nations (FAO) estimated wheat production at between 900,000 and 1.1 million metric tons, one of the lowest harvests ever recorded in the country.² FAO further noted that shortages of agricultural inputs, damage to irrigation infrastructure, and limited access to markets continue to constrain farmers' ability to sustain agricultural production.

The fragility of the 2026 agricultural season extended beyond pricing policies. In late May, flooding of the Euphrates River caused extensive damage to agricultural land and crops,³ particularly in the countryside of Deir-Ezzor and Ar-Raqqa, at the height of the harvest season. Farmers also raised concerns regarding the criteria applied to the acceptance of wheat deliveries and the classification of grain quality. Irrespective of the reasons for rejecting certain deliveries, protecting producers requires the publication of detailed data on accepted and rejected quantities, the grounds for rejection, the provision of compensation to farmers affected by natural disasters, and ensuring that they are not left to bear the losses of the agricultural season alone.

The wheat crisis cannot be separated from the energy sector. Diesel fuel and electricity constitute essential production inputs for irrigation, harvesting, transportation, milling, bread production, refrigeration, and the operation of small-scale workshops. Irrigation is one of the principal constraints on wheat production and may account for between 20 and 50 per cent of total production costs, while these costs increase substantially in areas that rely on deep groundwater pumping or diesel-powered generators.⁴ In some cases, the cost of wheat production may exceed SYP 2 million per dunum, rendering production economically unviable unless procurement prices are aligned with the actual cost of production. Consequently, energy policy shifts from being an instrument for enabling agricultural production to a factor that compels farmers to reduce cultivation or abandon their land altogether.⁵

At the same time, consumers have been subjected to a parallel shock through bread prices. Following December 2024, the price of a standard bread bundle increased sharply, while the weight of the bundle was subsequently reduced without any change in its selling price, causing the effective price per kilogram to increase on multiple occasions. According to data from the Syrian Center for Policy Research (SCPR), the price of one kilogram of bread

² Food and Agriculture Organization of the United Nations (FAO), [The Syrian Arab Republic: Farmers Struggle amid Worst Agricultural Crisis in Decades](#), 4 September 2025

³ Justice for Life. [Between Pricing Policies and Flooding: How the Crisis Facing Wheat Farmers in Eastern Syria Is Deepening](#). 10 June 2026.

⁴ Oxfam International, *From Grain to Table: A Wheat and Bread Scoping Assessment in Aleppo, Deir ez-Zor, and Rural Damascus* (2025)

⁵ Ibid.



increased from SYP 267 before the fall of the regime to SYP 4,000 (old currency) in June 2026, representing a cumulative increase of approximately 1,398 per cent. This indicates that the impact of bread price liberalization extends beyond the price of bread itself, transferring an increasing share of the economic crisis onto households, particularly low-income families.

These policies have further exacerbated poverty and food insecurity. According to United Nations estimates, approximately 14.6 million people in Syria are food insecure, including 9.1 million experiencing acute food insecurity,⁶ while bread remains a primary source of caloric intake for low-income households. The World Food Programme (WFP) reported that the cost of the Minimum Expenditure Basket (MEB) increased by 7 per cent in September 2025, reaching approximately SYP 2.2 million (around USD 190), driven by rising prices of several essential food commodities.⁷ In April 2026, the abject poverty line for an average household reached SYP 3.3 million (approximately USD 254), while the salary of a university-educated public sector employee covered only 33.3 per cent of that amount.⁸ At these levels, bread, energy, and housing become direct indicators of the declining capacity of society to meet its daily needs and sustain its economic and social reproduction.

The crisis has been further aggravated by increases in energy and electricity prices. Electricity has shifted from being a deteriorating yet relatively subsidized public service to becoming a mechanism through which an increasing share of household and producer incomes is extracted. In 2025, the effective electricity tariff reached approximately SYP 1,046 per kilowatt-hour (kWh), compared with an estimated actual cost of around SYP 569 per kWh, indicating that what was recorded as subsidy savings had effectively been transformed into an implicit surplus borne by consumers.⁹ The impact extends well beyond household electricity bills. Increases in the prices of electricity, diesel fuel, gasoline, and cooking gas are transmitted directly to food, transportation, housing rents, and services, generating cascading inflationary effects across the overall cost of living.

These pressures are further intensified by real estate speculation, rising rents, and land investment. As the costs of electricity, raw materials, and transportation increase, and as cities become increasingly oriented towards rent extraction rather than productive activity, the cost of housing itself becomes a mechanism for impoverishing households. In March 2026, the average monthly rent reached approximately SYP 8.16 million (around USD 685) in Damascus, compared with SYP 2.25 million (around USD 189) in Tartous and SYP 800,000 (around USD 67) in Deir-Ezzor.¹⁰ These figures reflect pronounced disparities in the housing market and a direct relationship between urban concentration and real estate rent-seeking. When housing costs are combined with expenditures on bread, energy, and

⁶ United Nations Office for the Coordination of Humanitarian Affairs (OCHA), [Humanitarian Response Priorities: Syrian Arab Republic, January–December 2025](#) (2025)

⁷ World Food Programme (WFP), [Monthly Market Price Bulletin: Syria, September 2025](#), Issue No. 129, WFP VAM | Food Security Analysis.

⁸ Syrian Center for Policy Research (SCPR), [Restructuring Public Utilities and Rising Service Costs: Monthly Consumer Price Index \(CPI\) and Inflation Bulletin in Syria](#), Issue No. 4, April 2026.

⁹ Syrian Center for Policy Research (SCPR), [Public Finance in Transitional Syria: Accounting Surplus, Developmental State Deficit, and the Reproduction of Inequality](#), 15 April 2026.

¹⁰ Syrian Center for Policy Research (SCPR), [Structural Inflation: Discriminatory Wages and Price Drivers: Monthly Consumer Price Index \(CPI\) and Inflation Bulletin in Syria](#), Issue No. 3, March 2026.



transportation, the cost of living exceeds the means of the majority of the population, as household incomes are increasingly absorbed by market prices, fees, and rent extraction.

The erosion of household incomes extends beyond the decline in purchasing power and is reinforced by a parallel dynamic that places increasing pressure on the supply side of the economy and productive activity. The same policies that have increased the cost of energy and public services for households have also raised production costs for farmers, small-scale workshops, and productive enterprises. As markets are liberalized without due consideration for the conditions facing domestic productive sectors, and as effective protection for wheat production and the food processing industry continues to weaken, small-scale producers face mounting pressures that may compel them to scale back their activities, cease production altogether, or shift from production to trading and import activities. Furthermore, reliance on imports to address supply constraints, in the absence of parallel measures to safeguard domestic production, risks undermining the country's productive base and reducing opportunities for income generation and employment.

This paper is therefore built upon a clear proposition: food and energy poverty in Syria is not merely the result of natural constraints or resource scarcity, but is also rooted in policies that undermine the foundations of development. When wheat is procured below the cost of production, bread is governed by market logic, energy by profit maximization, housing by speculative dynamics, and public services by the logic of private investment, while collapsing wages are expected to absorb these cumulative burdens, the outcome is not recovery. Rather, it is a poorer society, farmers and small-scale workshops with diminished productive capacity, and consumers with declining purchasing power. Defending wheat, bread, and energy, therefore, is not a call to preserve inefficient subsidies or a closed economy; it is a defence of the minimum requirements of economic justice during the transitional period. Wheat procurement prices should reflect the fair cost of production; bread should remain socially protected; and energy should be managed as a productive asset and a prerequisite for a life of dignity, rather than as a source of fiscal surplus or an opportunity for rent extraction.

The hardships faced by both producers and consumers have increasingly evolved into a source of direct social protest. Farmers in Ar-Raqqa, Deir-Ezzor, and other wheat-producing areas have rejected the official procurement price for wheat, arguing that purchasing production inputs at prices linked to the United States Dollar (USD) while selling their harvest in Syrian Pounds (SYP), amid rising costs of fuel, seeds, fertilizers, irrigation, harvesting, and transportation, leaves them bearing the losses of the agricultural season and compels them to reduce wheat cultivation or abandon it altogether. In urban areas, opposition to rising electricity and energy prices has taken various forms, ranging from complaints and non-payment to public protests and legal demands to link utility bills to households' actual incomes. These developments demonstrate that bread and energy are no longer merely matters of pricing policy; rather, they have become a central test of the legitimacy of the transitional period and of its ability to protect economic and social rights while preventing the emergence of new grievances.



Recommendations

Addressing the bread and energy crisis through partial measures or limited assistance is insufficient, as poverty in Syria has become both structural and multidimensional. Accordingly, the Syrian Initiative for Fundamental Rights calls on the Transitional Government to adopt a transitional social protection package that includes the following measures:

1. Reverse abrupt price shocks affecting bread, electricity, cooking gas, and diesel fuel, and adopt a gradual transitional pricing policy that does not raise the cost of food and energy beyond the purchasing power of wages and established poverty lines.
2. Rebuild the subsidy system as an instrument of both social protection and productive development by ensuring subsidized bread at a socially affordable price, adopting electricity, water, and gas tariffs that guarantee every household access to a low-cost basic level of essential services, and providing dedicated energy allocations for agriculture, bakeries, public transportation, and small-scale workshops.
3. Align procurement prices for wheat and other cereals with actual production costs, including irrigation, fuel, harvesting, and transportation costs; ensure the prompt payment of farmers' dues; provide seeds, fertilizers, agricultural diesel fuel, and concessional seasonal credit; publish crop procurement criteria and grading results; and compensate farmers affected by droughts, floods, and other natural disasters.
4. Index wages and social transfers regularly to poverty lines and the actual cost of living, including food, housing, energy, and transportation costs, rather than relying on intermittent nominal wage increases that are rapidly eroded by inflation before reaching households.
5. Establish a transitional housing support programme that includes measures to curb excessive rent increases, support displaced and conflict-affected households, finance the rehabilitation of small residential units, and reduce real estate speculation that drives up housing costs.
6. Protect domestic production, farmers, and small-scale workshops through affordable energy, operational credit, and targeted safeguards against import dumping, while suspending the sale, leasing, or privatization of public assets in the food, energy, milling, bakery, and electricity sectors unless conducted under conditions of full transparency, fair competition, and independent oversight.
7. Adopt an environmentally and socially just energy policy that prioritizes decentralized solar energy solutions for irrigation, bakeries, schools, health facilities, and small-scale workshops, rather than large-scale closed investment projects that risk reproducing rent-seeking and market concentration.
8. Ensure equitable and transparent financing for social protection by redirecting surpluses generated in the energy and electricity sectors, introducing progressive taxation on rent-based, real estate, and monopoly profits, publishing detailed accounts of subsidies, costs, and surpluses, and involving representatives of farmers, workers, consumers, and local authorities in policy design and implementation oversight.