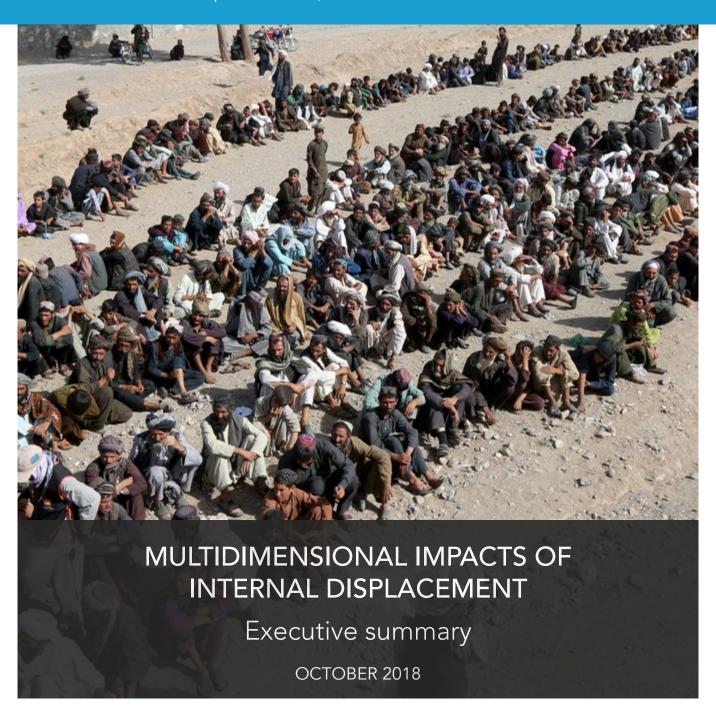


THEMATIC SERIES The ripple effect: economic impacts of internal displacement

This thematic series focuses on measuring the effects of internal displacement on the economic potential of IDPs, host communities and societies as a whole



Internal displacement affects the lives of displaced people, their host communities and those they leave behind in many ways. The most urgent are threats to their physical safety, wellbeing and human rights. It can also have significant and long-lasting effects on their socioeconomic development.

Through the harm it causes to people's physical health, psychological wellbeing and environment, their ability to secure a livelihood and their access to security, education, housing, basic infrastructure and a social life, internal displacement can weigh heavy on the economy at the individual, community and even national level.

The financial resources needed to support those affected and the reduction in production and consumption that a displacement crisis can cause represent a cost that has yet to be estimated.

IDMC launched a dedicated research programme in 2017 to investigate the ways in which internal displacement affects the economy and to propose new methodologies to measure them comprehensively.

With that objective in mind, we undertook a review of the main impacts of internal displacement on IDPS, communities of origin and destination, affected local and national governments and donors. Once identified, IDMC will develop an original methodology to measure the economic cost of these impacts.

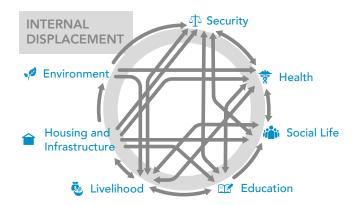
We identified seven dimensions that need to be considered - health, livelihoods, education, housing and infrastructure, security, the environment and social life.

This report presents the results of a systematic review of nearly 1,000 publications on the impacts of internal displacement in each of these dimensions. This review highlighted a series of knowledge gaps that are presented at the end of each chapter. An overarching gap is the assessment of internal displacement's impacts on systems, such as local or national

education and health systems or public infrastructure and resources. Another is an assessment of impacts on communities of origin and destination.

This report highlights the most significant impacts on each dimension and discusses how they are connected, as illustrated in figure 1.

FIGURE 1: Links between the effects of internal displacement on each dimension



The effects of internal displacement on each dimension ripple through to others, creating causal chains and feedback loops that are impossible to understand or measure independently.

Table 1 below presents examples of how the impacts of internal displacement on each dimension can affect other dimensions. Impacts on the dimensions in the top row can ripple through to some of the dimensions in the left column: for instance, one of the connections between the health impacts of internal displacement and education is that children who suffer from malnutrition, a condition often linked with internal displacement, are less attentive in school. More concrete examples from the literature are highlighted in each chapter.

KEY MESSAGES:

- Internal displacement impacts the livelihoods, education, health, security, social life, environment and access to housing and infrastructure of displaced people, their hosts and the people they leave behind.
- The effects of internal displacement on each dimension ripple through to others.
- Health can be affected by loss of livelihoods, poor housing conditions and disrupted social life.
- Loss of livelihoods due to internal displacement can limit access to decent shelter, healthcare and

- education, jeopardize security and social life.
- Internal displacement's consequences on livelihoods and school systems can reduce access to education and security.
- Shelter is one of the highest burdens on displaced people, hosts and aid providers' financial resources, and affects security and health.
- Security can be damaged by internal displacement and subsequently threaten health, social life and livelihoods.
- The environmental impact of mass internal displacement is

- heavily dependent on housing, infrastructure and livelihoods solutions, with effects on security for both displaced people and host communities.
- The disruption of social life caused by displacement can damage mental health and access to work, and is connected to housing conditions.
- The impact of internal displacement must be assessed comprehensively for all of these dimensions.
- Policies looking to address or prevent internal displacement should consider the phenomenon in its entirety.

The analysis makes the case for comprehensive assessments of these effects, an objective that we started to work toward in 2018. Boxes in each chapter discuss how they can be costed and set out the initial results of our first attempts at doing so.

Our ultimate aim is to arrive at a comprehensive and consistent measure of the economic impacts of internal displacement across all affected countries, in the hope that highlighting this hidden cost will help to demonstrate the socioeconomic benefits of investing in its prevention and mitigation.



When people abandon their homes, it is most often because not doing so would pose a serious threat to their safety. Flight is their only way to escape violence or disaster and preserve their life or wellbeing. In such circumstances, internal displacement is obviously the better option, but it can have adverse effects on people's physical and mental health, particularly when it is unplanned and mismanaged, or becomes protracted.

Reports of these effects on the physical and mental condition of internally displaced people (IDPs) are numerous and often consistent, which allows the identification of common threats.

Studies reveal higher mortality rates among IDPs than the general population, mostly the result of communicable diseases. Displacement has also been linked with several reproductive health issues including lack of contraception and increased risk of sexually transmitted infections (STIs). The third most commonly reported effect of internal displacement

TABLE 1: Examples of how the impacts of internal displacement on each dimension can affect other dimensions

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	Education	Environment	Health	Housing and infrastructure	Livelihoods	Security	Social life
Education			Children suffering from malnutrition may be less attentive in class	Crowded class- rooms in host areas damage education quality	Families in financial difficulties may send their children to work	IDPs may face discrimination in school and drop out	
Environment				Shelter construction can deplete forets in host areas	IDPs may need to over-ex- ploit natural resources to make a living		
Health	Disruption in education can affect the mental health of displaced children	Overcrowding in host areas may increase pollution and subsequent diseases		Poor housing conditions can increase the transmission of communicable diseases	Reduced income can lead to inabi- lity to afford healthcare	Fear of abuse or discrimina- tion can affect IDPs' mental health	The disruption in social networks can aggravate depression
Housing and infrastructure			IDPs with disabilities may be unable to access shelter and services in camps		Loss of livelihood can lead IDPs to live in informal settlements		
Livelihood	Limited schooling can undermine future access to well paid jobs	Over exploitation can reduce crop yield for hosts and IDPs	IDPs suffering from stress aggravated by displacement may be unable to work	IDPs living in camps may be unable to access job opportunities		Lack of docu- mentation can prevent IDPs from working or accessing aid	Displacement may disrupt business networks and reduce income opportunities
Security	Limited education has been linked with increased levels of violence	Fights over natural resources have been reported between hosts and IDPs		Women living in camps or informal settle- ments may be at higher risk of sexual violence	Loss of livelihood can force IDPs to undertake dangerous income-ge- nerating activities		Tensions between communities can lead to violent incidents between IDPs and hosts
Social life	Lack of access to educa- tion severely damages the social life of children	Hosts and IDPs have reported tensions caused by the sharing of natural resources	Mental disorders aggravated by internal displa- cement can force people into isolation	Gender sepa- ration in camps can divide families and communities	Unemploy- ment due to internal displacement can increase isolation		



Women from Mbulungu village pose with their babies at a community gathering in front of the village chief's home. Though calm has returned to Mbulungu and several villages and towns just like it across Kasai-Central in DRC, people are not able to continue their lives as normal. The violent conflict of 2017 left mass destruction in its wake—homes, markets, schools, sanitation facilities and health infrastructure in complete disarray. In fact, 67 per cent of families living in Mbulungu do not have access to proper latrines and 55 per cent have no access to soap. These absence of these basic necessities coupled with malnutrition and lack of proper shelter can lead to a host of diseases and death. Photo: NRC/Aléxis Huguet, August 2018

is mal or under-nutrition, which is particularly prevalent among young and older IDPs.

Individual health is affected through displacement's impacts on livelihoods, the environment, housing and infrastructure, social life, education and security. These health issues in turn affect livelihoods, security, access to housing and infrastructure, social life and education, setting up a vicious circle for displaced people and their hosts.

LIVELIHOODS

Displaced people often lose assets when they are forced to flee their home and land. They may also be unable to pursue their former work, leading to unemployment, underemployment or informal work, and a significant drop in income. Livelihood loss may lead to reduced access to food and an increase in malnutrition. It may also leave people unable to pay for contraception or push them to engage in transactional sex, with subsequent rises in pregnancy and STI rates.

HOUSING AND INFRASTRUCTURE

IDPs are often forced to live in substandard camps, collective shelters or informal urban settlements where overcrowding and lack of sanitation can increase the prevalence of communicable diseases. Those with pre-existing disabilities are particularly affected by inadequate shelter and infrastructure, which may cause their health and living conditions to deteriorate.

SOCIAL LIFE

The upheaval of internal displacement, including disruption of the social environment and separation from home, family and friends may have a significant impact on IDPs' mental health. It may trigger or increase anxiety, depression and other conditions, and in some cases lead to substance abuse.



Internal displacement separates people from their land, assets, belongings, workplace, social networks, service providers and consumers. In their host areas, IDPs often compete with local workers for employment, and their arrival also increases demand for goods and services, which may push up prices.

These consequences, which all have an economic as well as human cost, are relatively well documented and have a direct impact on IDPs' economic status and ability to sustain dignified livelihoods.

The impacts of internal displacement on livelihoods have repercussions on social life, health, education, security, housing and infrastructure. These repercussions in turn ripple back to affect the livelihoods of IDPs, their hosts and their communities of origin.

HEALTH, HOUSING AND EDUCATION

Several direct consequences of internal displacement, including the loss of assets and employment, lead to a quasi-systematic degradation of IDPs' financial resources. They are often forced to accept lower-paid, insecure employment, and the drop in income may jeopardise their ability to meet their most basic health, housing and education needs.

SECURITY

IDPs unable to find decent work have little choice but to resort to other less secure and sometimes dangerous income-generating activities. Some displaced children are obliged to earn an income, putting them in danger in unsafe work and reducing their chances of more secure employment through education.

SOCIAL LIFE

Social life is highly linked with work and heavily disrupted by the loss of livelihood that tends to accompany internal displacement. High levels of unemployment among IDPs mean they have no chance to socialise with colleagues and work contacts.

Displacement also separates them from their social networks at home, which may have helped them to find work or financial support. Some income groups are less able to cope with the initial loss of livelihood than others, widening pre-existing disparities and harming social cohesion.



Internal displacement interrupts children's education and separates them from their familiar school environment, teachers and classmates, sometimes for months or even years. When they are able to go back to school, whether in their community of origin, host area or in a camp, they have to make up for lost time while managing the stress and trauma associated with their displacement.

Nearly every country affected by displacement yields evidence of lower enrolment and achievement rates and higher drop-out rates among displaced children.

Most of the educational impacts are the result of the loss of livelihoods, loss of documentation and the absence or inadequacy of schools. Disruption to education can harm the mental health of displaced children, many of whom may already be traumatised by their experiences, and heighten their psychosocial instability. It can affect social cohesion and increase gender inequalities, damaging social life in the short and longer term. It can also reduce children's potential earnings and livelihood opportunities as adults, creating a poverty trap that endures even after displacement.

LIVELIHOODS

The reduction in financial resources that often accompanies internal displacement may lead the most vulnerable families to take their children out of education, either because they



Children living in Harasta, Eastern Ghouta, flock to school to catch up on years of missed education. Photo: Karl Schembri/NRC, June 2018

are unable to afford their schooling or because they need them to work. These and other issues lead to lower enrolment rates for displaced children, and may reduce their chances of securing decent work and income, affecting their long-term welfare and limiting their future contribution to the economy.

HOUSING AND INFRASTRUCTURE

Internally displaced children face different challenges in pursuing their education depending on whether they live in camps or host communities and in urban or rural areas. Children from host communities and those who remain in communities of origin may also have their education disrupted as a result of displacement. Ensuring continued education for all requires governments to adapt their infrastructure and human resources, with impacts on the entire school system.

SECURITY

Legal, physical and psychosocial security are all closely related to education. Legal barriers resulting from the loss of documentation during displacement can interrupt education, as can threats to physical safety in violent environments. Education can help to foster security by reducing the likelihood of conflict and violence, and by increasing psychosocial stability.



When people flee their homes, one of their first needs is for decent shelter, where they can be protected, access water, sanitation and energy, and start rebuilding a sense of home and community. In many cases, however, the urgency of the situation, the lack of suitable infrastructure in host areas and IDPs' loss of livelihoods means their housing conditions are inadequate.

Housing is one of the main expenses IDPs face, meaning that it has an inevitable effect on their livelihoods. Substandard shelter also affects health, exposing people to weather extremes and natural hazards, and facilitating the spread of communicable diseases. It may also cause or aggravate mental ill health, whether because of overcrowding or isolation.

Security can also suffer when poor housing conditions put people at risk of discrimination, exploitation, abuse or violence, and when their rights as tenants or owners are violated.

LIVELIHOODS

IDPs may find themselves living in a makeshift shelter near their damaged home, a hotel room in a nearby city, a government-run camp, a friend's home or a rented apartment. Housing solutions are numerous, their quality varies greatly, and each has different benefits and costs borne by different stakeholders.



Kanchhi Gole had to run through a combined landslide and earthquake with her then three-month-old daughter when the earthquake hit Nepal in April 2015. They lost everything. Since then they have been living in Selang IDP-camp. "We don't have enough warm clothes. I only have two sets of clothes for my daughter. We are suffering, but at least we are alive. There is no other option", she said. Photo: NORCAPIKishor Sharma, January 2016



Mireille Soulaya and her husband pose in front of her big sister's house, where they and their five children have been living since they fled the fighting in Bangui, CAR. NRC/Alexis Huguet, August 2017

The majority of IDPs live in host families who take them in free of charge or in exchange for a financial contribution. Many others end up renting accommodation, often sharing with other displaced families. Those living in displacement camps tend to be the minority.

SECURITY

The difficulties IDPs face in obtaining adequate housing may heighten security risks. The most common is of new displacement when they are forced out of their lodgings, either because they were unable pay their rent or because they were illegal occupants. Their poor housing conditions may also be a threat to their physical safety. Housing and land property (HLP) rights in areas of origin become an issue when returning IDPs face challenges in recovering their former homes.

HEALTH

Poor housing conditions may have damaging effects on IDPs' physical and mental health. Tents and inadequate housing expose them to heat, cold, damp and natural hazards. Lack of water and sanitation facilitates the spread of communicable diseases, sometimes to neighbouring communities. Poor lighting, overcrowding and the absence of privacy in camps and informal settlements may add to stress and cause or aggravate mental illness.



Security is often cited as one of the main concerns for IDPs and host communities. Apart from issues associated with the disaster, conflict or violence that triggered their flight in the first place, internal displacement itself has a number of specific security impacts.

People may lose their livelihood, identity documents and social support networks during displacement, with direct consequences for their vulnerability to abuse, exploitation and violence. Women, children, older people and those with disabilities are particularly at risk. Men may be targeted by armed groups for recruitment, and they may also suffer greater animosity in their host areas.

Responding to the security needs of all affected populations affected requires specific mechanisms and investments led by governments, communities, international organisations and civil society.

LIVELIHOODS

There are abundant reports of increased violence against women during internal displacement across the world. This may be the result not only of the increased stress and financial strain that families face, but also the extreme poverty displaced women often find themselves in. Displaced men, women and children may also find themselves obliged to undertake dangerous income-generating activities to survive.



An internally displaced family in Robert Camp, Myanmar. Lashi Roi Ja, a widow, cannot do much work outside the camp, as she has to stay in the camp to take care of her youngest children. She has sleepless nights, worrying about her children's education, which she can only pay when she finds work in the fields and someone to look after her children. Photo: Ingrid Prestetun. March 2017

SOCIAL LIFE

The influx of a large group of displaced people inevitably disrupts a host community's social life, generating support and compassion for the new arrivals but also tensions. It may also lead a to heightened sense of insecurity, whether or not that is the case.

HEALTH

Health can be directly affected by security issues if people are harmed or abused, or constantly fear becoming so. IDPs' vulnerable situations place them at higher risk of abuse and violence than non-displaced people, and some suffer targeted violence and discrimination. Constant insults and threats can also affect their psychological wellbeing and lead to mental health problems.

🥖 ENVIRONMENT

Mass population movements have visible effects on the environment as demand for natural resources increases in destination areas and decreases in areas of origin. Such effects have been documented for large inflows of refugees or international migrants, but much less so in the case of IDPs. Seven out of ten publications investigating the environmental impacts of population movements focus on crossborder flows, meaning the environmental impact of internal displacement remains a major knowledge gap.

Relationships have, however, been identified between IDPs' often poor housing conditions and the degradation of nearby natural resources. Large influxes may also lead to overexploitation and increased pollution, with ripple effects on health and food security. The loss of livelihoods also has indirect consequences, forcing people to engage in unsustainable income-generating activities that harm the environment and in turn reduce future livelihood opportunities. All of these issues may heighten tensions between displaced people and their hosts, affecting security and social life.

HOUSING AND INFRASTRUCTURE

The effects of a large, unplanned and mismanaged increase in population can have grave consequences for the environment. Those most frequently documented include soil erosion, forest degradation, loss of biodiversity, overexploitation of water resources and increased waste and pollution.

LIVELIHOODS

IDPs sometimes resort to negative coping strategies and unsustainable practices in an attempt to fulfil their livelihood needs. Faced with the urgency of replacing assets lost as a result of their displacement, they may overexploit natural resources such as wood, wildlife, minerals and agricultural land. Over time, this may result in soil erosion, desertification, a drop in agricultural production and the disappearance of flora and fauna, which in turn reduces their own longer-term livelihood prospects and those of their hosts.



Pakoundja meets his friend Louise in BenZvi IDP camp in Bangui city, CAR, who lost her right arm and is paralysed on the right side. "I live here with her seven children. When my house was destroyed, my family had to push me in a trolley. Now, I'm staying at this place all the day. I can't move. My children have to feed me." Photo: NRC/ Edouard Dropsy, November 2016

SECURITY

When large numbers of displaced people arrive in a place of refuge, they compete with local populations for natural resources including water, agricultural land and forests. In areas where resources are already scarce, this may lead to social tensions and sometimes violence. Overexploitation may also decrease food security and increase the risk of disasters.



Internal displacement has a direct impact on social life by breaking up communities and families. When it endures, it may permanently damage relationships that existed in areas of origin but also create new networks in the places that IDPs move to.

These relationships are important for stability, business and wellbeing. Their disruption may have repercussions for mental health, livelihood opportunities and security. Reduced access to education can also harm social life in the short and longer term, with ripple effects on livelihoods, mental health and security.

LIVELIHOODS

One of the ways in which displacement disrupts social life is by separating those affected from their business colleagues, providers and consumers. IDPs tend to be left facing a temporary reduction in their professional activity and sometimes have to incur start-up costs to re-establish their livelihoods. The loss of livelihoods in turn affects social life by reinforcing income inequalities.

HEALTH

The social disruption internal displacement causes may affect the mental health of IDPs, their hosts and the people they leave behind in their communities of origin. Isolation or overcrowding in places of refuge may can cause or aggravate anxiety and depression. Physical health may also be affected because the disruption of social networks makes IDPs more vulnerable to violence.

HOUSING AND INFRASTRUCTURE

Every housing solution available to IDPs in their places of refuge has its own impacts on social life. That said, whether they share a house with a host family or live in a displacement camp, they and their hosts will have to adapt to new social structures, share resources and cope with potential tensions that may arise.

KNOWLEDGE GAPS

The literature we reviewed for this report did not cover every impact of internal displacement. In each dimension, knowledge gaps remain that require additional research. The one which recurs most regularly is the impact of internal displacement on systems, including health and educational systems or public infrastructure and resources. Another is an assessment of consequences for communities of origin and destination.

HEALTH

The impacts of displacement on the health of internally displaced women, men and children in general are relatively well-known, but the effects endured by older IDPs, those with disabilities, returnees, host communities and communities of origin are not as well documented.

The economic cost of these health impacts is also rarely assessed. The consequences for health systems in terms of budget, human resources and disease surveillance are only mentioned in a handful of publications, mostly related to cross-border displacement.

LIVELIHOODS

Many publications discuss the impacts of internal displacement on livelihoods, but most focus on IDPs' income and employment. Impacts for older people, returnees, host communities and communities of origin are rarely studied. Research on women, young people and children also needs to be complemented. Impacts on consumption and debt have been touched upon and seem significant, but are not well documented. The cost of providing aid to affected populations in the form of cash assistance and unemployment benefits remains largely unassessed.

EDUCATION

More research is needed not only to assess the longer-term costs of the disruption to IDPs' education, but also to measure its impacts on specific groups. These include girls, children in host communities and those left behind or returning to their communities of origin.

HOUSING AND INFRASTRUCTURE

Two significant research areas in terms of the impacts of internal displacement on housing and infrastructure are largely understudied: those specific to women and girls, whose safety, hygiene and legal requirements require distinct assessments; and those on housing markets.

SECURITY

Three significant knowledge gaps remain in understanding the security aspects of internal displacement: the different types of security arrangements provided to affected populations and their economic consequences; the frequent loss of identity documents that accompanies displacement, and the mechanisms that need to be set up to replace them; and the support returnees require in exercising their HLP rights and reclaiming their property in their areas of origin.

ENVIRONMENT

The environmental impacts of internal displacement are severely understudied. The costing of environmental impacts is also a niche area for which quantitative data is rarely avail-



Internally displaced Roma live in poor housing conditions in Serbia. Photo: IDMC/Barbara McCallin, May 2009

able, and there are few analyses of the effects of dedicated policies and the impact of mass population movements on natural resources in areas of origin.

SOCIAL LIFE

The impacts of internal displacement on social life are largely understudied. Most discussed are drawn from publications that focus on other topics, mainly livelihoods, mental health and security. Only a couple of dedicated reports were found, despite the fact that the disruption of social life is central to all other dimensions and its repercussions are varied and numerous.

Among the most glaring knowledge gaps are the effects of people's departure on communities of origin. The specific consequences for groups most dependent on social networks, including women, children, older people, those with disabilities or chronic diseases and people from ethnic, cultural, linguistic or sexual minorities, also require more research.

CONCLUSION

Internal displacement has many impacts on the lives of IDPs, their hosts and the communities they leave behind. Consequences are felt in the dimensions of health, livelihoods, education, housing and infrastructure, security, the environment and social life. Aside from their number and range, the close and complex links between them and their mutually reinforcing effects are striking.

The deterioration in people's health that often accompanies internal displacement may be the result of poor housing conditions or environmental factors, and may affect security and livelihood opportunities. The loss of their livelihoods may reduce households' ability to access housing and infrastructure, healthcare and education.

Disrupted or interrupted education may affect children's psychological health, social life and future livelihoods, while their families' housing conditions and access to infrastructure depend closely on their livelihoods and are linked to their health and security.

Security in turn may affect mental and physical health and is connected with social relations between IDPs and their hosts. Tensions arise when competition over natural resources is high and IDPs' presence and activities degrade the local environment, with further repercussions for health, livelihoods and security.



The day that Julian flew away from his home in north-west Colombia, he could only take a few savings with him. After more than two months his money has run out and, together with his wife, they survive the displacement thanks to humanitarian aid. They only hope that their town will be safe again, to return home. Photo: NRC/Daniel Sánchez, February 2018

Uncovering the hidden costs of internal displacement as we aim to do will require new tools to assess all of these impacts comprehensively. As we highlighted in this report, substantial knowledge gaps remain in each dimension, especially in terms of understanding how displacement affects systems and measuring these effects quantitatively.

Our preliminary work on ten sample countries points to the highly significant burden major displacement crises place on national economies. Partial assessments already amount to between one and ten per cent of the affected countries' pre-crisis GDP.

This report demonstrates not only the importance of assessing the economic impacts of internal displacement comprehensively, but also the need for inclusive solutions that address all aspects of the phenomenon simultaneously. Without holistic approaches, the causes of internal displacement and the risks and vulnerabilities it entails will endure.

I Full report available on IDMC's website at http://bit.ly/idmc-impacts-review.



The Internal Displacement Monitoring Centre (IDMC) is the world's authoritative source of data and analysis on internal displacement. Since our establishment in 1998, as part of the Norwegian Refugee Council (NRC), we have offered a rigorous, independent and trusted service to the international community. Our work informs policy and operational decisions that improve the lives of the millions of people living in internal displacement, or at risk of becoming displaced in the future.

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