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Thematic Report

Livelihood Disruptions and Recovery in Lebanon's Displacement Crisis

September 2026

The Lebanon Crisis Analytics Team (LCAT) provides reactive and in-depth context analysis to inform the aid community in Lebanon. The information and analysis contained in this report is therefore strictly to inform humanitarian and development actors and associated policymaking on Lebanon.

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Executive Summary

Roughly 1.2 million people in Lebanon were displaced by widespread fighting between Israel and Hezbollah in late 2024 and, following large-scale returns after the November 2024 ceasefire, over 1 million were displaced when hostilities broke out in March 2026. This report, based on a survey of 321 households conducted in late July 2026, examines how repeated displacement between 2023 and 2026 has affected livelihoods in the governorates of South Lebanon, Nabatieh, Baalbek-Hermel, and Mount Lebanon (specifically the Southern Suburbs of Beirut).

Displaced households have had little time between shocks to rebuild assets, savings, or income, which remain far below pre-conflict levels. The share of surveyed households earning 300 US dollars or more per month fell by more than half between the pre-displacement period and July 2026. About two in five displaced households now report no income; this share is highest among respondent households from South Lebanon and Nabatieh. Asset-dependent livelihoods such as agriculture and self-employment have recovered more slowly than wage labor, which has returned in more precarious, lower-paid forms. About a third of surveyed households permanently lost their primary pre-displacement income source; fewer than a quarter regained it.

Productive asset losses have been severe. Among surveyed households, 82% of livestock owners, 69% of tree and orchard owners, and over half of land owners reported that their productive assets were destroyed, with respondents in South Lebanon and Nabatieh hardest hit. Few affected returnees have fully restored such assets, and 20% do not expect they will. Nearly all respondent households reported no savings – suggesting that debt is sustaining consumption rather than funding recovery – and 91% rated their economic situation as bad or very bad.

Rather than a temporary setback, these findings point to a structural downgrading of livelihoods. This suggests that consumption-focused support should shift to targeted livelihood recovery – focusing on asset replacement, debt relief, and employment support – tailored to displacement status and household type.

Introduction

Between 2023 and 2026, successive waves of conflict displaced over 1 million people across Lebanon.[1] The humanitarian response and reporting have focused on the immediate crisis: displacement, shelter, and returns. Displacement has also separated people from the land, customers, employers, and local networks that generated their income. Even where displaced people have returned, many found that their livelihood sources and public services had been severely damaged or destroyed altogether.[2]

This report traces how displacement has disrupted household livelihoods and the extent of their recovery using data gathered from a survey of 321 households from Mount Lebanon (specifically, Beirut's southern suburbs), South Lebanon, Nabatieh, and Baalbek-Hermel. The report primarily focuses on the latter three governorates, where livelihoods are heavily dependent on productive assets, agriculture, and local business relationships.

Displacement in Lebanon has occurred in several stages, with many individuals displaced multiple times. Hence, for the purposes of this study, displacement is best understood as a cycle of tentative return and repeat flight, with lasting consequences for households' ability to cope.[3] Any assessment of livelihoods must therefore capture not a single shock but a trajectory throughout the crisis.

This report addresses three research questions:

1. How did household livelihoods change across the three periods — before displacement, during displacement, and at the time of interview?
2. What income, income sources, and productive assets were lost, and how much?
3. How are households coping, and what are the prospects for recovery?

[1] International Organization for Migration, Escalation in the Middle East and Beyond—Mobility Report (19–25 May 2026) May 2026
[2] United Nations Office for the Coordination of Humanitarian Affairs, Lebanon: Flash Update #22 - Escalation of hostilities in Lebanon (as of 30 April 2026) May 2, 2026
[3] Arab Center Washington DC, Israel's War of Displacement in Lebanon June 16, 2026

Methodology

This study draws on a structured household survey; data and statistics compiled by the Lebanese government and humanitarian and development actors; and a review of relevant literature including academic research and reports from humanitarian and development actors.

The survey was carried out in the last two weeks of July 2026, targeting 321 households in conflict-affected areas of Lebanon. Respondents were asked about the different stages of return and the distinct livelihood and protection circumstances they faced. 197 households had returned at the time of the survey, 92 were still displaced, and 24 had partially returned. Surveyed households reported their situation before and during displacement, as well as at the time of the survey. The research team recorded households' livelihood trajectories over the course of the conflict, while taking into account pre-conflict (prior to October 2023) differences between them.

Analysis group	Households (n)	% of sample
Baalbek-Hermel	123	38%
South and Nabatieh	170	53%
Mount Lebanon	28	9%
Total	321	100%

Table 1. *Distribution of surveyed households by governorate of origin.*

The study sample was drawn from the Cash for Lebanon's Emergencies and Recovery (CLEAR) program caseload, with participants' displacement status identified through a Rapid Needs Assessment (RNA) conducted by the program team.

The analysis proceeded in three stages.

- Assessing the extent to which households have recovered by tracking core livelihood measures – income source, income level, and number of earners – across the three time periods.
- Examining how displacement status, location (by governorate), and gender of the head of household have affected household recovery dynamics.
- Assessing the impact of income and productive asset loss on (self-reported) household well-being.

This report relies on descriptive data analysis. Data are summarized using basic statistical measures (e.g., means, percentages, trends) to characterize key patterns. Findings are limited by retrospective self-reporting. The "before" and "during" displacement situations were recalled by respondents rather than measured contemporaneously; some data points are therefore subject to recall error, particularly for measures such as income.

Credit: Reuters

Context

Conflict and displacement in Lebanon, 2024–present

By February 2024, Israeli military strikes targeting the southern Lebanese border region since October 2023 had displaced over 90,000 people.[4] In October 2024 – at the outset of the 66-Day War from late September to late November – the total number of internally displaced persons (IDPs) reached nearly 1.2 million, with a majority staying with family, renting accommodation, or sheltering in public and private spaces.[5]

A ceasefire between Hezbollah and Israel came into effect on November 27, 2024, triggering large-scale returns over the following year.[6] According to the International Organization for Migration (IOM) Displacement Tracking Matrix (DTM), 986,192 IDPs returned by October 2025, with the number of remaining IDPs falling to 64,417.[7]

Renewed hostilities in March 2026 triggered displacement on a scale comparable to 2024. More than 1 million people, many of whom had recently returned following the November 2024 ceasefire, were displaced within two weeks.[8] The failure of successive ceasefire initiatives through 2026 has driven a volatile cycle of tentative return and renewed flight. According to the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), 821,077 people had returned to their areas of origin and 360,132 remained displaced as of July 29, 2026, including around 27,200 people in 258 collective shelters.[9] Israel's occupation of 650 km² of Lebanese territory along the border – about 6% of the country – has prevented many residents from returning to their homes.

[4] Global Conflict Tracker, Conflict With Hezbollah in Lebanon August 3, 2026
[5] United Nations Economic and Social Commission for Western Asia, The UN Calls for Urgent Recovery to Prevent Prolonged Crisis in Lebanon July 24, 2025
[6] Al Jazeera, A year after Hezbollah-Israel ceasefire, over 64,000 Lebanese displaced February 2, 2026;
International Organization for Migration, Lebanon: Mobility Tracking—Assessment Report, 23 September–3 October 2025 October 16, 2025
[7] International Organization for Migration, Displacement Tracking Matrix — Lebanon
[8] United Nations Office for the Coordination of Humanitarian Affairs, Flash Appeal: Lebanon, March - May 2026 (March 2026) March 13, 2026;
United Nations Office for the Coordination of Humanitarian Affairs, Lebanon: Flash Update #9 - Escalation of hostilities in Lebanon, as of 16 March 2026 March 18, 2026
[9] United Nations Office for the Coordination of Humanitarian Affairs, Lebanon: Flash Update #47 - Escalation of hostilities in Lebanon (as of 31 July 2026) July 31, 2026

The pre-conflict population in Israeli-occupied territory is estimated at 147,000 people;[10] the Lebanon Crisis Analytics Team (LCAT) estimates that 134,000 are unable to return and therefore remain IDPs.[11]

These compounding shocks have produced severe humanitarian needs. The UN Office for the Coordination of Humanitarian Affairs estimated that approximately 1.24 million people in Lebanon would face acute food insecurity (IPC Phase 3 "Crisis" or above) between April and August 2026, due to large-scale displacement, disruption of livelihoods and markets, and declining humanitarian assistance.[12] Agricultural livelihoods have been heavily affected. In conflict-affected governorates, 23% of agricultural areas have been damaged, destroyed, or are inaccessible.[13]

Figure 1. *Displacement timeline.*

Livelihoods profile: Agriculture

Agriculture is a critical economic and livelihood component in South Lebanon and Nabatieh; tobacco cultivation is a longstanding livelihood source in the southern border areas, and both governorates account for approximately 38% of national olive production.[14] Baalbek-Hermel and the Bekaa constitute Lebanon's primary field agriculture and livestock production zone, with farmers growing cereals, potatoes, fruits, and vegetables alongside winemaking and dairy farming.[15]

[10] LCAT cross-referenced geographic data on Israel's evacuation notices, airstrikes, and artillery shelling with WorldPop's global demographic data, which uses satellite imagery and geospatial analysis to estimate population distribution. WorldPop, Population Data
[11] Mercy Corps Lebanon, August Crisis Update 2026 September 3, 2026
[12] United Nations Office for the Coordination of Humanitarian Affairs, Lebanon: Flash Update #22 - Escalation of hostilities in Lebanon (as of 30 April 2026) | OCHA May 2, 2026
[13] Anera, How War Is Devastating Lebanon's Agricultural Sector May 27, 2026
[14] H. Tlais, The Agricultural Sector Faces an Existential Crisis in a Post-War South Lebanon Rosa Luxemburg Stiftung – Beirut Office, August 4, 2025
[15] Food and Agriculture Organization of the United Nations, Lebanon and FAO: Together for food security, resilience, sustainable agriculture, rural development and management of natural resources

Households dependent on agriculture in all three governorates face heightened vulnerability amid conflict, given their reliance on productive assets that may take years to recover if destroyed.

At the national level, the UN Food and Agriculture Organization's Data in Emergencies Impact (DIEM) assessment estimated 704 million US dollars (USD) in agricultural damage and losses for October 2023–November 2024, including USD 118 million in direct damage and USD 586 million in losses to crops, livestock, forests, fisheries, and aquaculture (fish farms). Reconstruction and recovery needs were estimated at USD 263 million. Impacts were geographically concentrated in the south, particularly in Sour, Nabatieh, Bint Jbeil, and Marjaayoun.[16] A Rosa-Luxembourg-Stiftung report from 2025 indicated that all agricultural lands in villages in Nabatieh and Hermel governorates were affected by the conflict, compared with approximately half in Bekaa.[17] Additionally, environmental contamination associated with the use of white phosphorus further complicates agricultural recovery, particularly in southern Lebanon.[18]

Livelihoods profile: Small-scale enterprises and local commerce

Small and medium-sized enterprises (SMEs), particularly micro and family-run businesses, are also a key component of local economies in South Lebanon and Nabatieh. Wholesale trade, retail, and manufacturing have been central facets of Nabatieh's economy.[19] Baalbek-Hermel is also home to small-scale enterprises involved in agro-food processing, dairy production, agricultural inputs, transport, and local trade.

Businesses in South Lebanon and Nabatieh have been heavily affected by conflict-related destruction, displacement, and a resulting loss of customers. This is especially consequential for small enterprises because they generally operate with limited working capital and a relatively narrow customer base, meaning they are less able to absorb prolonged periods without revenue than larger businesses. The UN Development Programme reported that 75% of surveyed micro, small- and medium-sized enterprises (MSMEs) temporarily suspended operations and 15% of all surveyed businesses closed permanently, while almost 30% of manufacturing businesses reported that they lost their entire workforce during the conflict.[20]

[16] Food and Agriculture Organization of the United Nations, Lebanon: Agricultural damage and loss assessment on the impact of conflict April 14, 2025
[17] Rosa Luxemburg Stiftung, The Agricultural Sector Faces an Existential Crisis in a Post-War South Lebanon August 4, 2025
[18] ibid.
[19] Investment Development Authority of Lebanon, Lebanon at a Glance – Invest in Regions – Nabatieh Governorate
[20] United Nations Development Programme, The Socioeconomic Impacts of the 2024 War on Lebanon 2025

Findings

The findings are organized into five sections: (1) income deterioration, (2) the shifting nature of livelihoods, (3) productive asset loss, (4) financial hardship, and (5) wellbeing and recovery prospects. The analyses are disaggregated by displacement status (still-displaced, returned, partially returned), by time period (before, during, and after displacement), and, where relevant, by region or gender of household head.

Income deterioration

Incomes collapsed during displacement and have only partially recovered. Prior to displacement, most surveyed households earned between 300 and 799 US dollars (USD) per month,[21] with only about 10% reporting no income. During displacement, 79% reported no income. Although income-generating activity had resumed for some households at the time of the survey in July of 2026, 39% of respondents still reported no income, while earning households were clustered in the lower income bands (USD 100–499). The share of households earning USD 300 or more fell from 62% before displacement to 24% at the time of the survey, indicating that reentry into economic activity generally involves lower-paid or less productive livelihoods.

Across all studied governorates, household incomes follow the same pattern, but the impact and recovery rates vary considerably. Households in the South and Nabatieh were hardest hit: 87% reported no income during displacement, a share that remained high (48%) at the time of the survey. This is attributable to substantially greater destruction of productive assets in southern Lebanon. By comparison, Baalbek-Hermel had the lowest share of households with no income at the time of the survey (28%) and the strongest recovery in the USD 300–799 range (32%, against 20% in the South).

[21] 28% earned USD 300–499, while 25% earned USD 500–799.

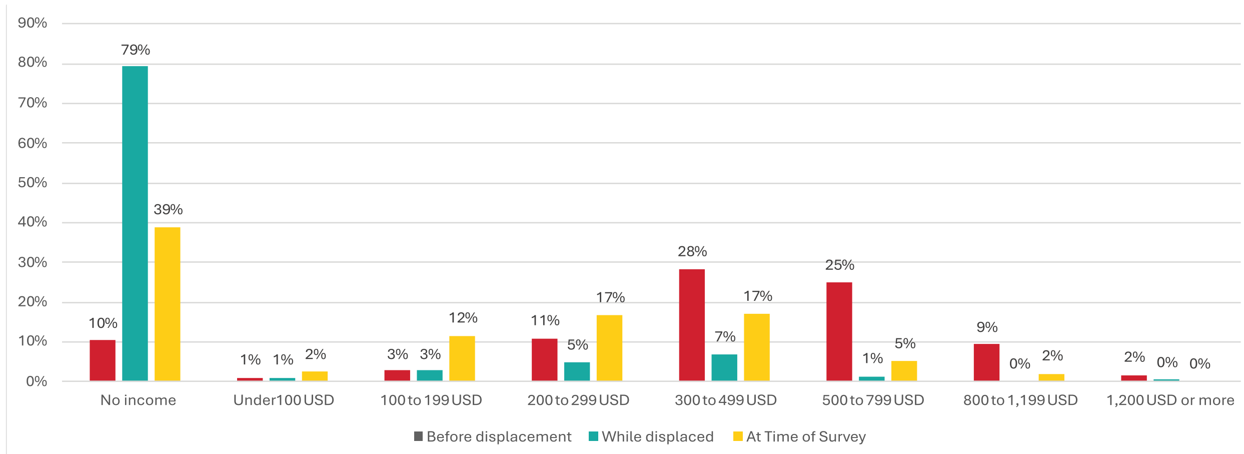

Figure 2. *Monthly income, by period (share of respondents).*

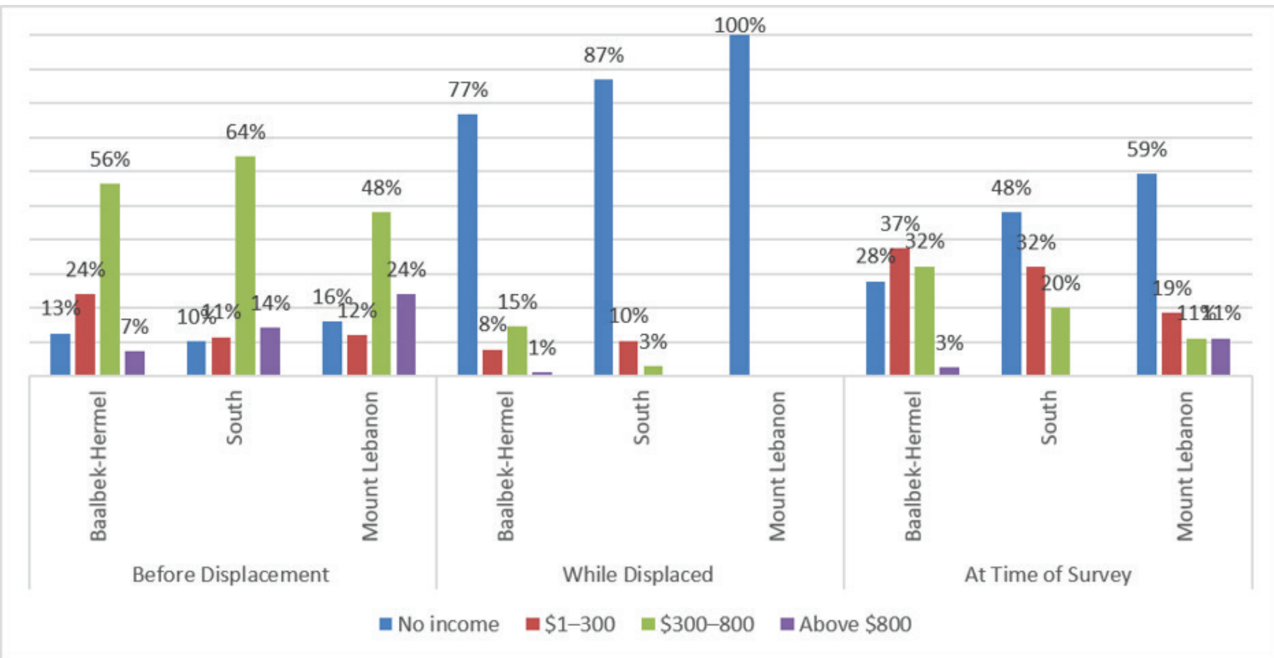

Figure 3. *Monthly income by period and governorate (share of respondents).*

Findings indicate that most displaced households – between 69% and 73%, depending on the period – **had no secondary source of income**. Among those that did, the source varies. Before displacement, secondary income was primarily earned through daily/casual labor (7%); transport (taxi/van driver), private-sector employment, and self-employment (around 3% each); while humanitarian assistance accounted for only around 6%. During displacement, secondary income sources largely disappeared and humanitarian assistance predominated (20%). At the time of the survey, aid remained the most common secondary source at 14%, more than twice its pre-conflict level, while daily/casual labor had fallen to 4%.

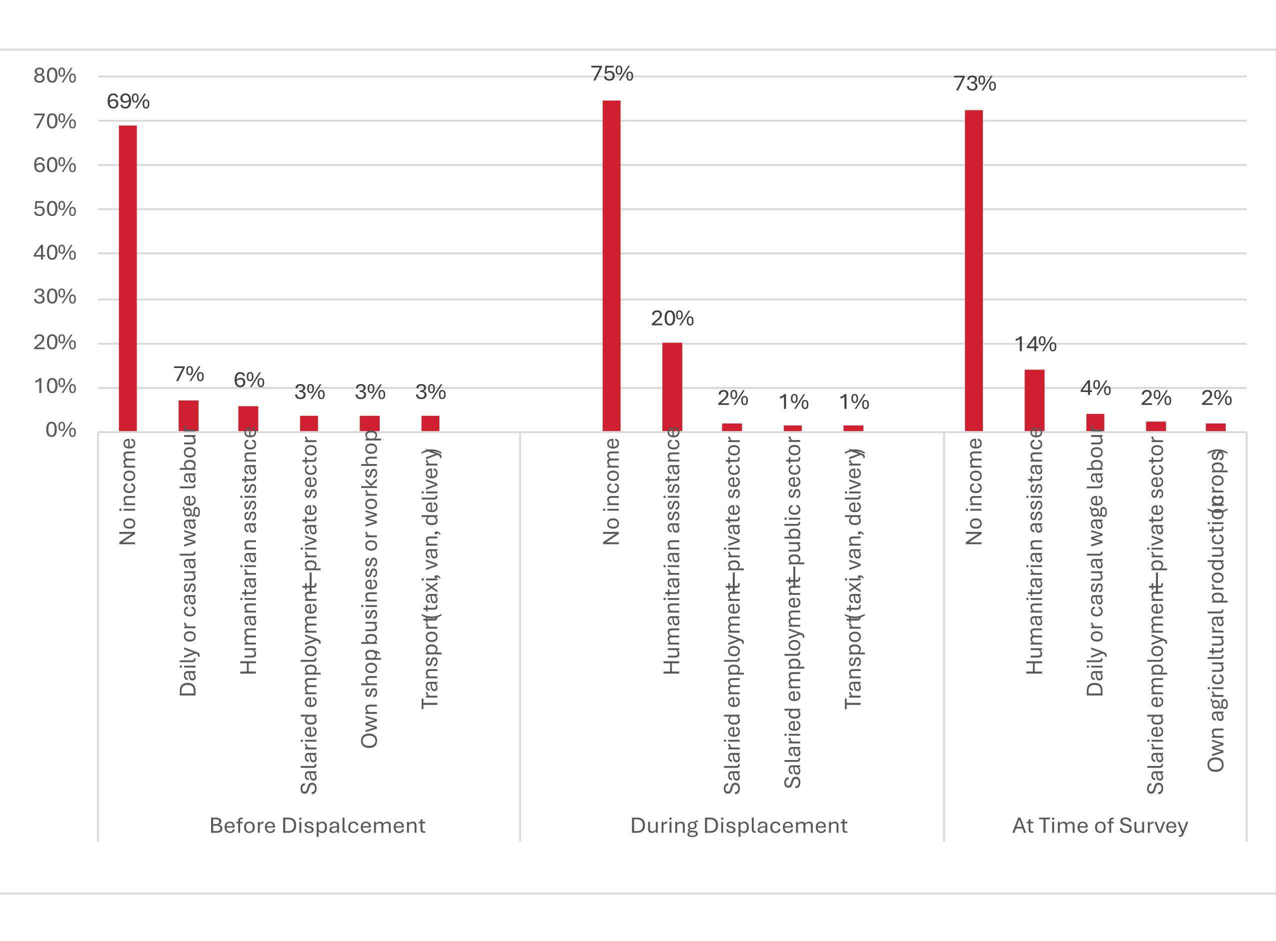

Figure 4. *Secondary sources of income, by period (share of respondents).*

Among displaced households, the primary barrier to earning income was displacement itself (60%), followed by a shortage of available work (35%). Displacement cut off access to the assets, markets, and employment networks on which livelihoods depend. Personal or individual-level barriers such as disability or injury were negligible.

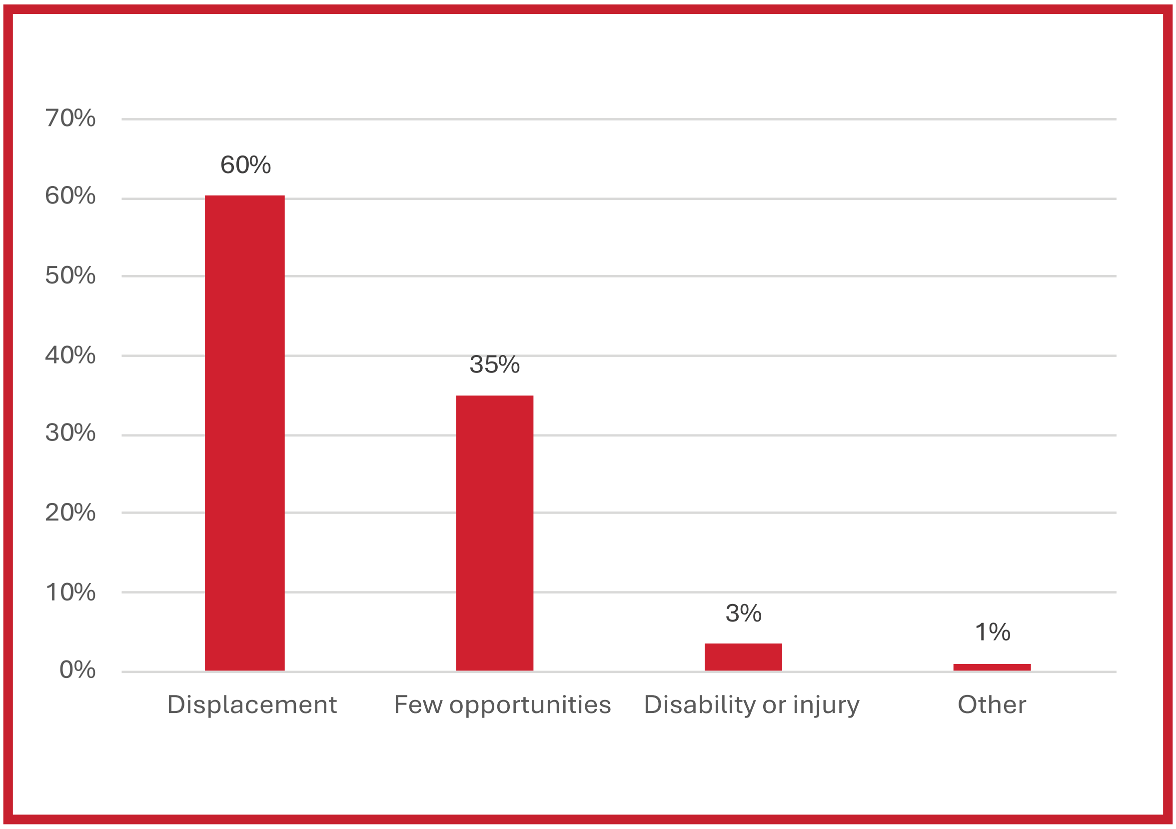

Figure 5. *Barriers to earning while displaced (multiple response).*[22]

The shifting nature of livelihoods

Households increased their reliance on humanitarian support during displacement. Before displacement, households relied heavily on self-employment and daily/casual[23] wage labor (both 29%), followed by salaried employment (17%) and agriculture (11%). During displacement, daily/casual wage labor fell from 29% to 4%, self-employment from 29% to 3%, salaried employment from 17% to 8%, and agriculture almost halted entirely. Over the same period, the share of households reporting no income rose from just 6% to 64%, and the share that relied on humanitarian assistance as their main source of income increased from 5% to 18%.

Livelihood recovery is associated with return, but remains incomplete. The share of households reporting "no income" fell substantially, from 64% during displacement to 25% at the time of the survey, but this remains more than four times the pre-displacement level of 6%. All employment and livelihood categories also remained below their pre-displacement levels. The aggregate improvement was driven primarily by households that returned; 21% reported no income, compared with 32% among those who remained displaced. Additionally, humanitarian assistance remained the main source for 32% of still-displaced households, compared with only 5% of returned households.

[22] For multiple-response questions, respondents can select more than one answer, hence the distribution of responses often adds up to more than 100%
[23] Daily labor refers to employment that is remunerated on a daily basis, typically without a fixed duration or guaranteed continuity. Casual labor refers to irregular employment without an established commitment. While these categories are conceptually different, they may overlap in practice, with daily wage falling within the broader category of casual employment.

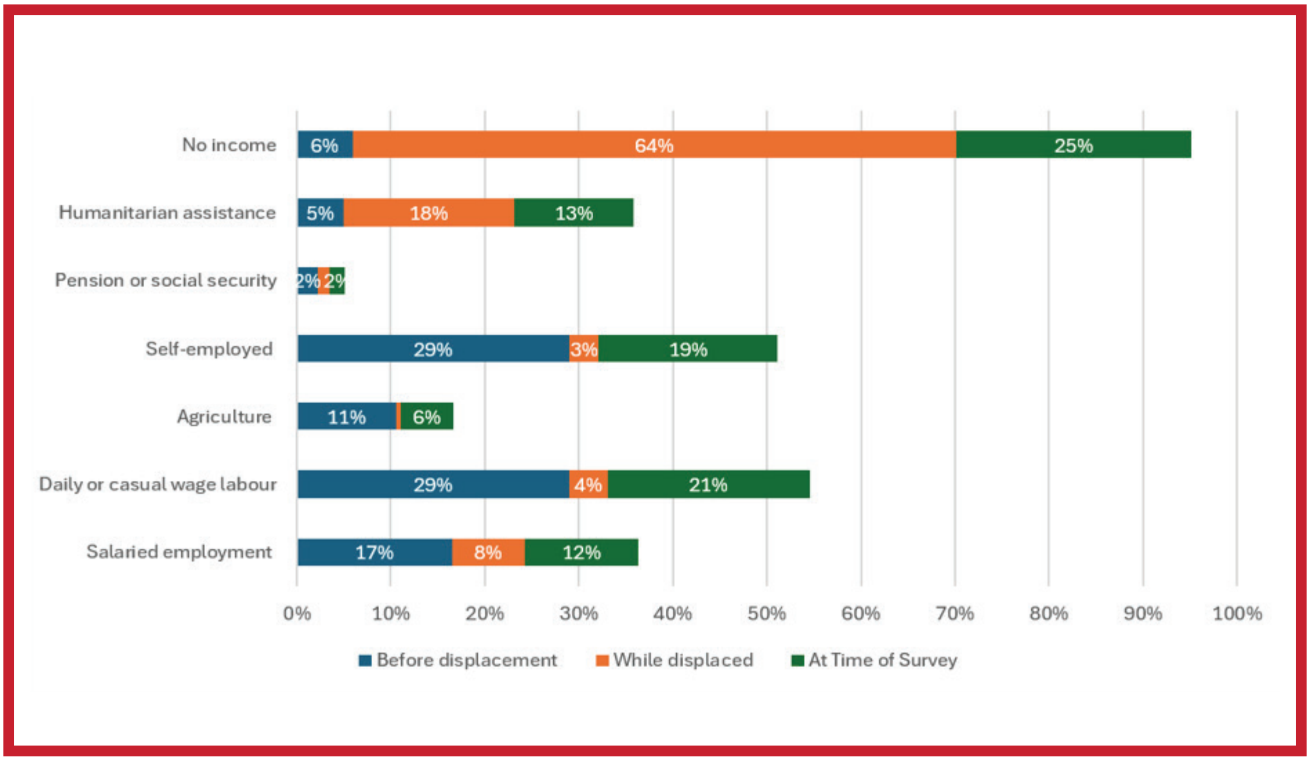

Figure 6. *Main source of livelihood, by period (share of respondents).*

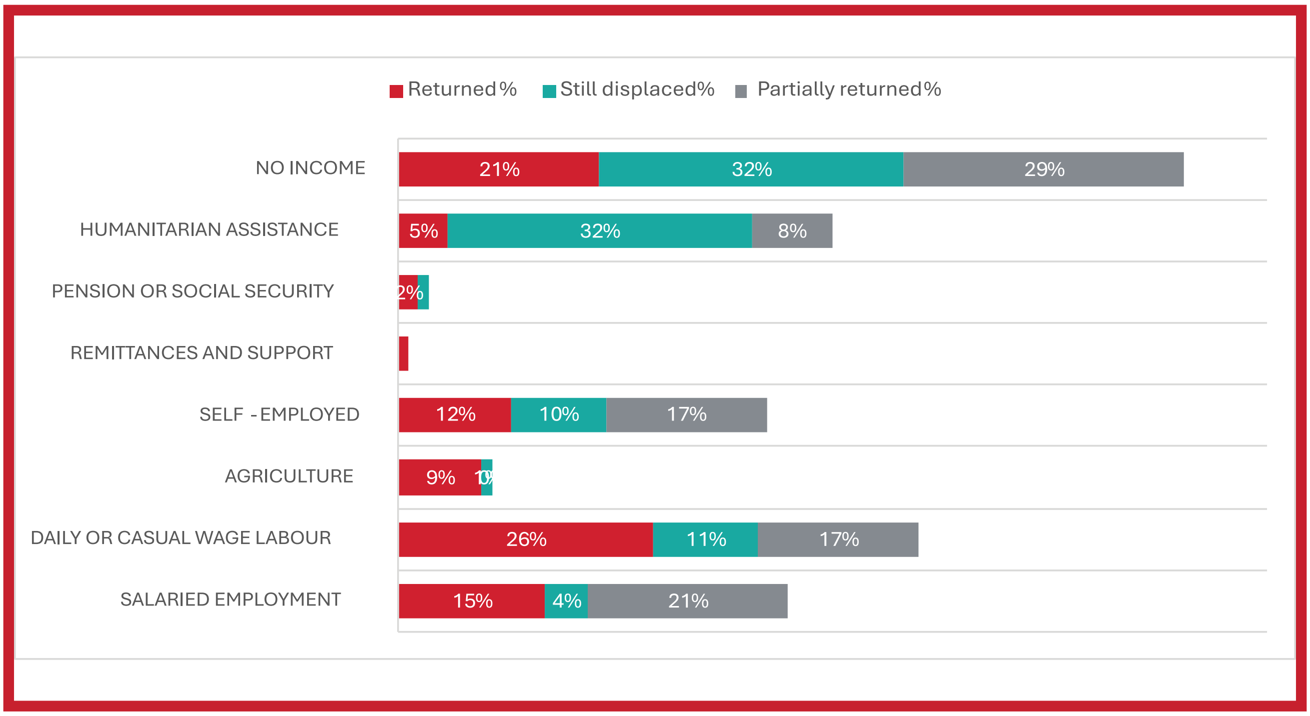

Figure 7. *Main source of livelihood July 2026, by current displacement status.*

Household livelihoods were generally tied to an area of origin before displacement. Sixty-nine percent of households reported that all or almost all of their pre-displacement income was linked to their area of origin, while an additional 11% reported that more than half was tied to an area of origin.

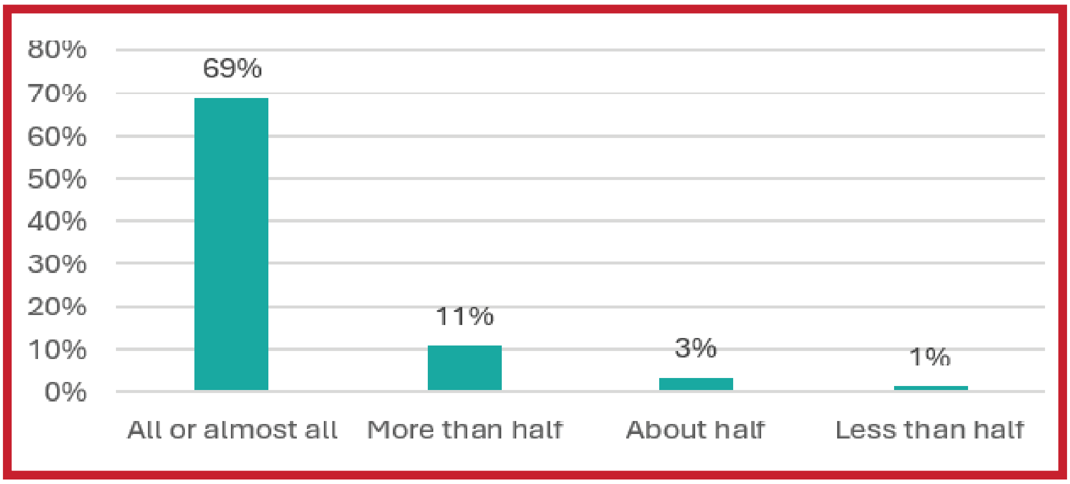

Figure 8. *Share of pre-displacement income tied to the area of origin.*

Most households have partially or fully lost their pre-displacement livelihoods. Only 23% of households reported that they had access to their main source of pre-conflict income source, against 32% who lost it permanently, and a further 30% for whom it was reduced or suspended. Permanent loss of a pre-conflict income source was concentrated among the still-displaced, 57% of whom reported that their source was permanently lost, compared with just 19% of fully returned households.

Livelihoods dependent on land or a particular locality did not survive displacement, unlike those not dependent on these elements. The strong association between return and livelihood survival should be read as bidirectional, i.e. households returned in part because a livelihood awaited them, as much as they recovered because they returned.

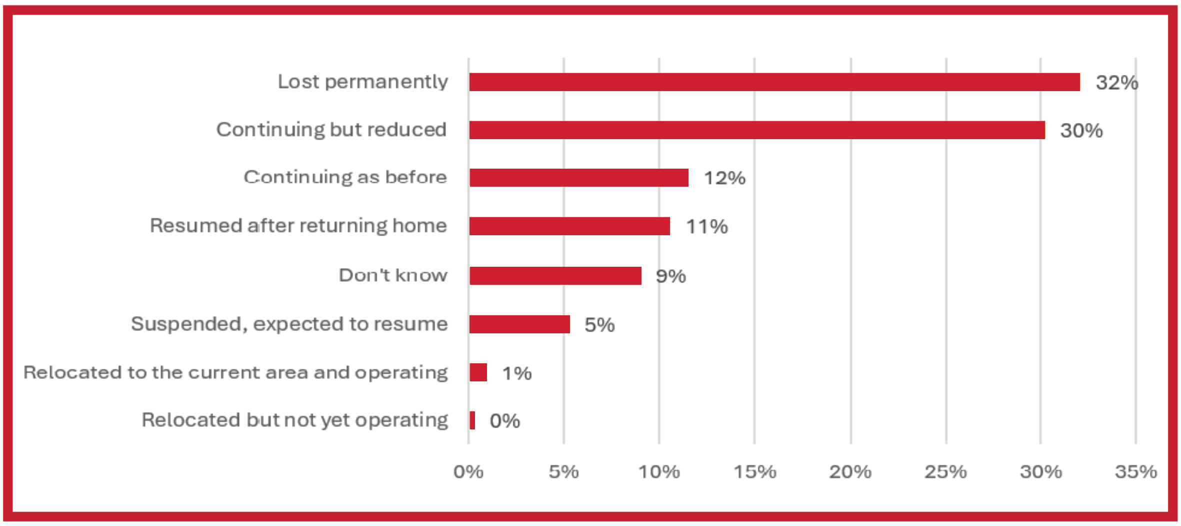

Figure 9. *What happened to the main pre-displacement income source?*

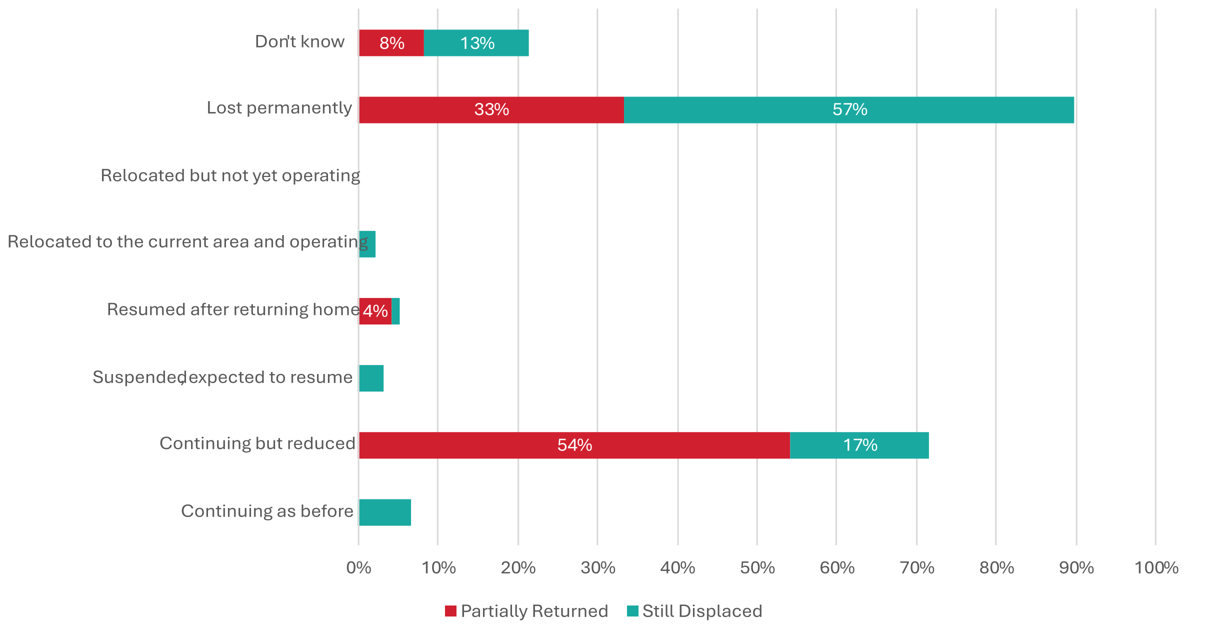

Figure 10. *What happened to the main pre-displacement income source, by current displacement status?*

Among returnee households, the resumption of pre-displacement livelihoods is ongoing but incomplete. Excluding the roughly 18% to whom the question was not applicable,[24] only 25% of households had fully resumed their pre-displacement livelihoods, while 48% had resumed them on a more limited basis. The remainder were divided between households still expecting to recover (15%) and those who had given up on their pre-displacement livelihoods (12%). Recovery was even less complete among partially returned households, where only 4% reported full resumption versus 58% that reported partial resumption.

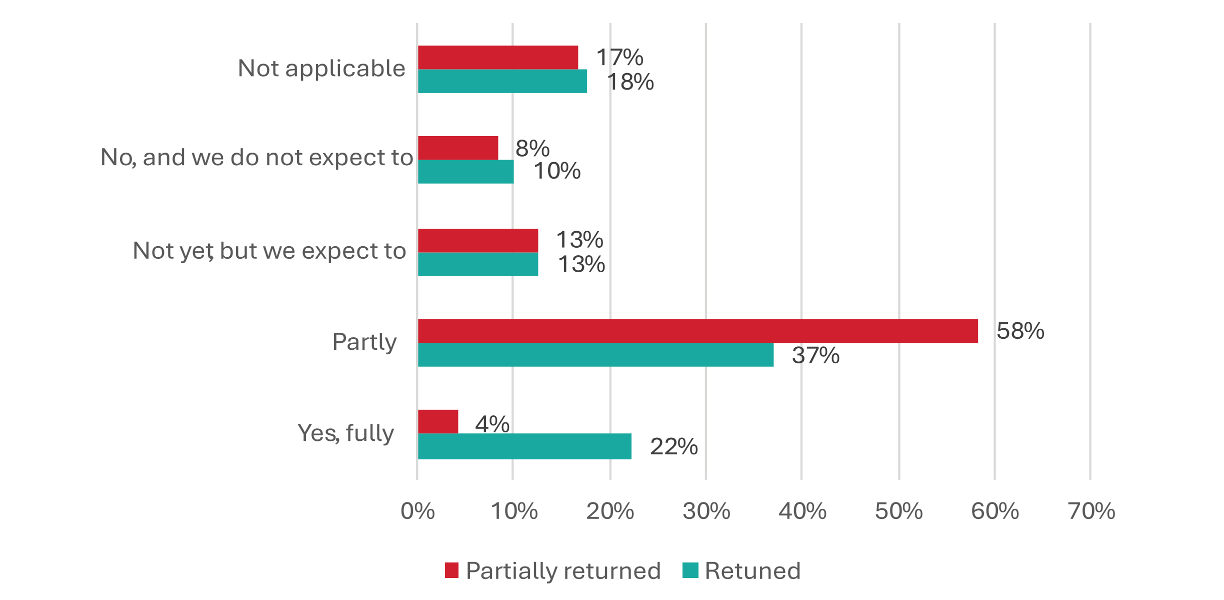

Figure 11. *Pre-displacement livelihood resumed since return.*

[24] Most households that responded "not applicable" had no earned livelihood before displacement.

Productive asset loss

Households reported extensive losses of productive assets. Losses were highest among livestock (82% of owners), trees and orchards (69%), poultry (69%), land (55%), shop premises (54%), and greenhouses (52%). Moveable assets, including vehicles, fared much better. The most affected assets were those associated with agriculture and self-employment, helping to explain why these livelihoods have recovered more slowly than wage labor and transport-based activities.

Asset	Owned	Still in use	Inaccessible	Damaged/ destroyed	Sold to cover needs	Condition unknown
Land	21%	6%	1%	12%	0%	2%
House	85%	41%	2%	39%	0%	3%
Shop or business premises	11%	4%	0%	6%	0%	1%
Trees	16%	3%	0%	11%	0%	2%
Greenhouse	7%	1%	0%	3%	0%	2%
Livestock	5%	1%	0%	4%	0%	0%
Poultry	5%	1%	0%	3%	0%	0%
Vehicle	29%	24%	0%	3%	1%	0%
Generator	5%	2%	0%	2%	0%	1%
Agricultural tools	8%	3%	0%	3%	1%	2%
Other productive assets	7%	2%	0%	4%	0%	1%
Household assets	83%	45%	1%	32%	1%	4%

Table 2. *Status of owned Assets.*

Asset depletion also appears to have been driven by conflict damage rather than coping mechanisms. Only 1% of households reported selling assets to meet needs. Households had limited assets to fall back on during displacement because much of them had been physically destroyed.

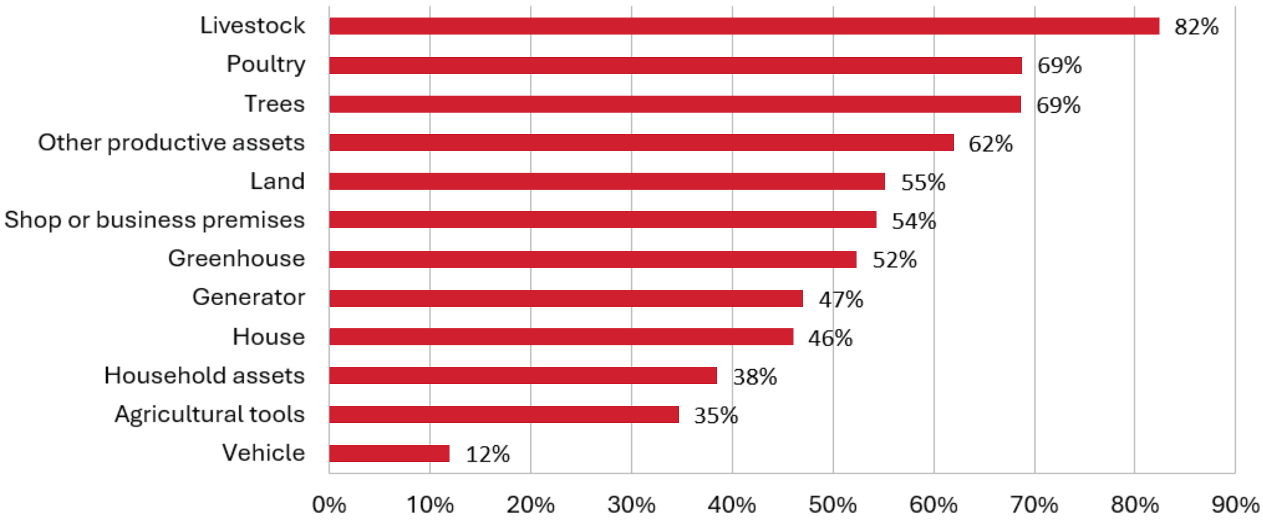

Figure 12. *Asset damage rate among owners (% reporting damaged/destroyed).*

The South and Nabatieh stand out for particularly severe destruction of productive assets, including land (reported by 77% of households), trees (79%), livestock (89%), and poultry (90%), compared with much lower losses in Baalbek-Hermel. This helps explain the weaker livelihood recovery observed in the South and Nabatieh. A more cautious interpretation is required for Mount Lebanon (Beirut's southern suburbs) because few households there owned productive assets, meaning its high overall damage rate is driven primarily by housing and household goods.

Returned households' ability to replace their productive assets is limited. Only 14% of returned households reported that their assets were fully repaired or replaced, while a further 30% partially repaired them. Fifty-six percent had not restored their productive assets; of these, 36% expected to do so, while 20% did not expect to repair or replace them. Although the South and Nabatieh show somewhat higher levels of asset replacement than Baalbek-Hermel – with 50% reporting at least partial recovery compared with 31% – this difference should be interpreted cautiously given the small Baalbek-Hermel base (sample size: 23).

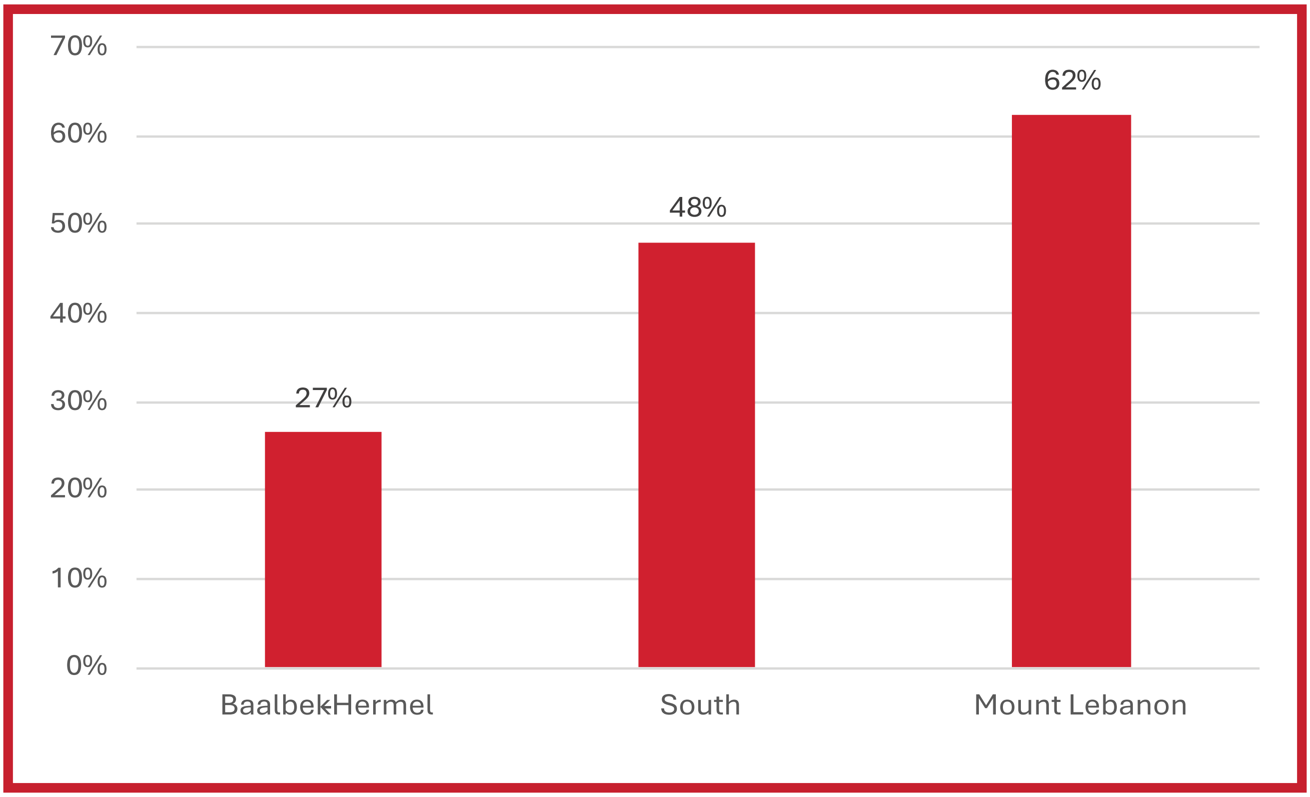

Figure 13. *Household-level asset damage, by governorate.*

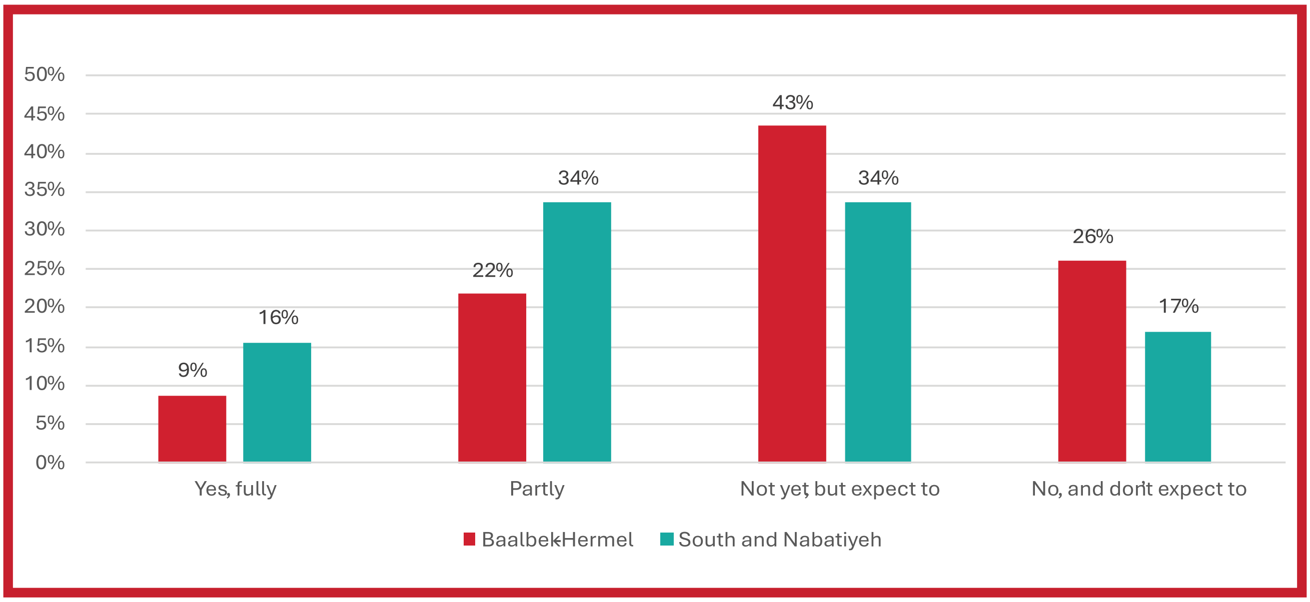

Figure 14. *Recovery of productive assets, by region.*

Financial coping and stress

Borrowing rises with prolonged displacement. Seventy-seven percent of still-displaced households borrowed in the last 12 months, versus 61% of returnees (partially returned 54%).

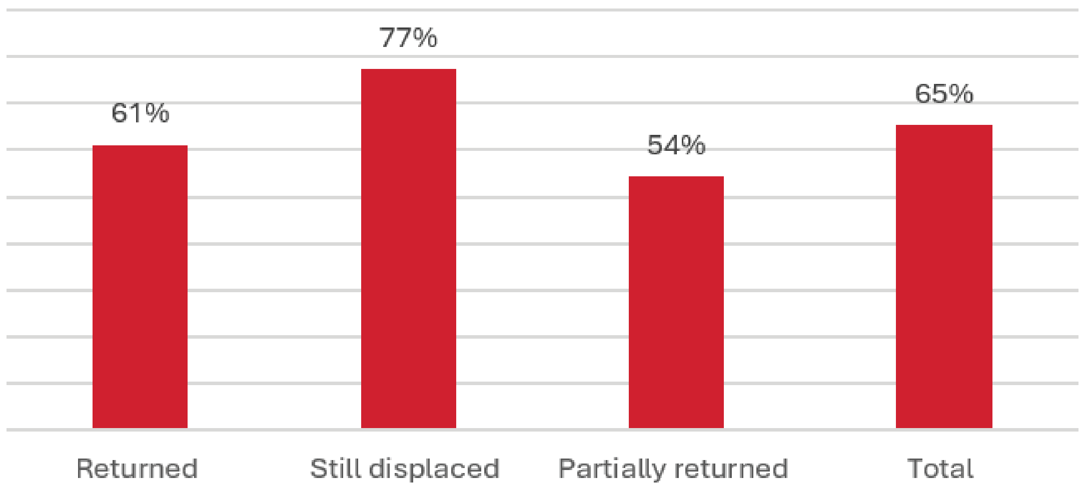

Figure 15. *Households borrowed money in the past 12 months, by displacement status.*

Borrowing is overwhelmingly used to cover basic consumption. Among borrowers, 92% took on debt for at least one basic need, compared with just 3% for an income-generating purpose, indicating that households are using debt to compensate for insufficient income rather than to invest in recovery. Rates of borrowing to purchase food were particularly high, as nearly all borrowing households took on debt simply to meet basic food needs. The reasons also varied by displacement status. Still-displaced households were more likely to borrow for food (97%) and rent (63%), while returnees borrowed more for healthcare (52%) and home repairs (10%). The near absence of borrowing for productive purposes suggests that households are too financially constrained to do so.

Borrowing is overwhelmingly embedded in social networks. Friends (88%) and family (58%) were by far the most common sources of household credit, while borrowing from banks or financial institutions (1%), employers (0.5%), and informal moneylenders (0.5%) was almost nonexistent. The particularly high reliance on friends may reflect the fact that displacement has affected entire family networks simultaneously, limiting relatives' ability to provide financial assistance. This pattern was even stronger among still-displaced households, 97% of whom reported borrowing from friends, compared with 82% of returnees.

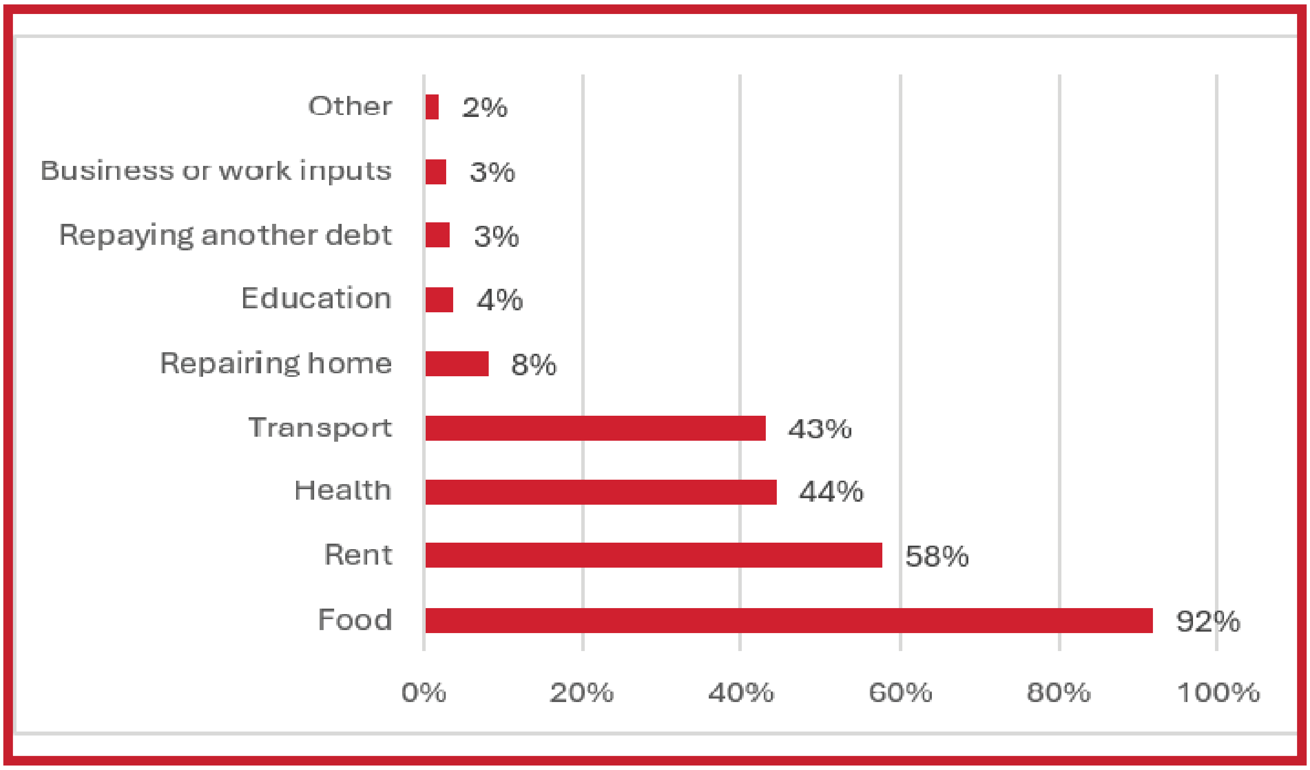

Figure 16. *Purpose of borrowing (multiple response; borrowers only).*

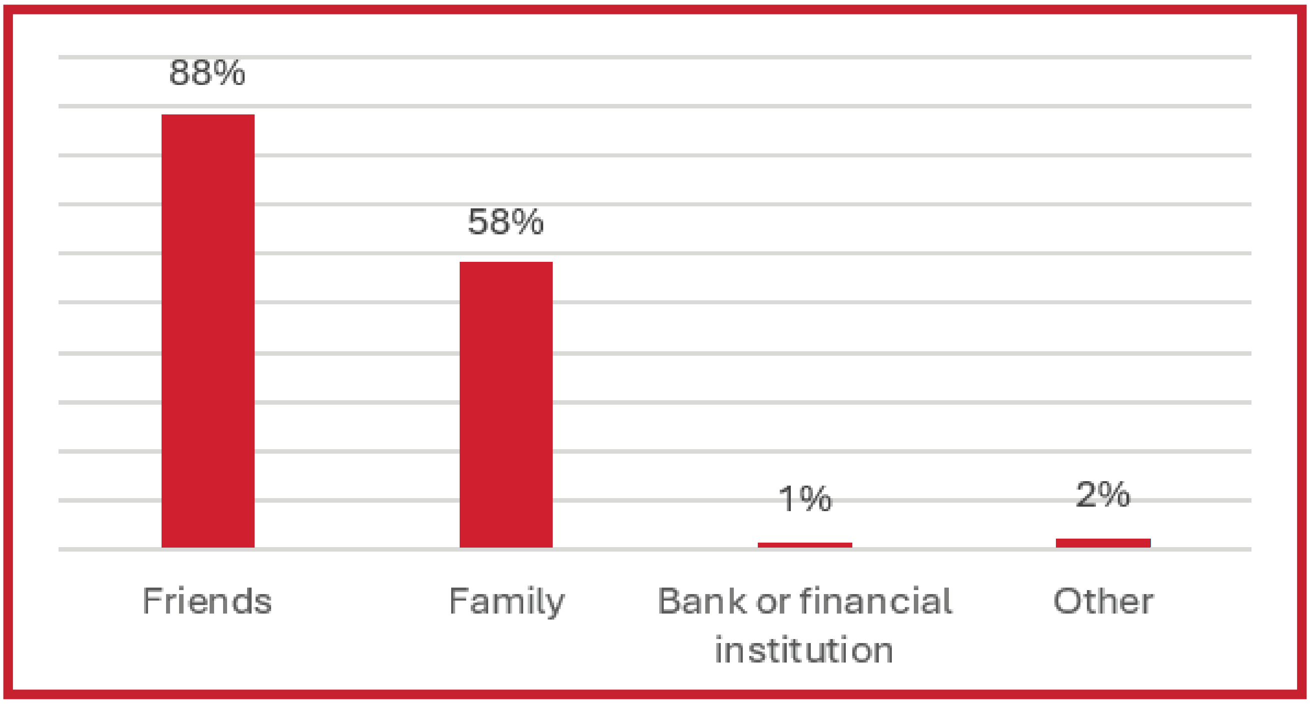

Figure 17. *Source of borrowing (multiple response; borrowers only).*

Debt size follows the same trend as debt incidence, weighing most heavily on those still displaced. Returnees carried the smallest balances, with a median debt of USD 1,500, while partially returned households (USD 2,763) and the still-displaced (USD 2,300) had substantially higher debt balances.

Group	Mean	Median	SD	Min	Max
Returned	$2,339	$1,500	$2,428	$0	$15,000
Still displaced	$3,030	$2,300	$3,034	$200	$20,000
Partially returned	$3,411	$2,763	$2,086	$700	$6,500
Male-headed household	$2,851	$2,000	$2,925	$0	$20,000
Women-headed household	$1,768	$700	$2,996	$200	$15,000
Total	$2,659	$2,000	$2,648	$0	$20,000

Table 3. *Summary of debt currently owed, by displacement status.*

Women-headed households borrowed slightly less often and in considerably smaller amounts. The share of women-headed households that borrowed in the past 12 months (62%) was only modestly lower than male-headed ones (69%), but the gap in debt size was pronounced. Women-headed households carried a median debt of just USD 700, compared with USD 2,000 among male-headed households, a difference also echoed in their average debt (USD 1,768 versus USD 3,237).

While lower outstanding debt might initially be interpreted as an indicator of lesser distress, the composition of borrowing by purpose contradicts this reading. Women-headed households borrowed more often than male-headed households to cover health (70% versus 42%) and transport (65% versus 43%) costs – these expenditures are associated with care burdens and essential mobility. Borrowing to cover food and rent was high among both male- and women-headed households. The elevated health-related borrowing combined with substantially lower debt balances suggests that demand for credit among women-headed households is high, but their access to credit or borrowing capacity may be more restricted compared to male-headed households.

Indicator	Male-headed	Women-headed
Borrowed in last 12 months	%69	%62
Source of borrowing		
Family	%50	%84
Friends	%95	%84
Bank	%1	%0
Informal lender	%1	%0
Purpose of borrowing		
Food	%96	%92
Rent	%61	%65
Health	%42	%70
Transport	%43	%65
Home repair	%9	%0
Repaying debt on time		
Not repaying	%85	%84
Late	%14	%16
On time	%1	%0

Table 4. *Debt indicators, by gender of household head.*

Women-headed household borrowing is more kin-based. Women-headed households relied much more on family (84% vs 50% for male-headed) and somewhat less on friends (84% vs 95%) to borrow money, meaning the number of potential lenders for women-headed households is generally smaller – a factor which could help explain their comparatively more restricted access to credit.

Financial resilience among households is effectively nonexistent. Ninety-eight percent reported having no savings at all and that they could not raise emergency money within 24 hours. Additionally, 87% of households reported that they had nothing left to sell in an emergency. The absence of savings, sellable assets, and accessible emergency cash are key drivers of the near-universal reliance on informal borrowing.

Wellbeing Assessment and Recovery Prospects

Household hardship differs little across the sample, with 91% of households rating their economic situation as bad or very bad, including 68% who described it as very bad. Only one household reported a good economic situation.

Higher income stability and predictability indicate slightly better household wellbeing. The proportion of households that reported an adverse economic situation increased from approximately 74% among those with members earning a salary, to 86% among households dependent on self-employment, 93% among households dependent on casual or daily wage labor, and 96–100% among households primarily reliant on transfers or reporting no income. Households with at least one member who had earned income during the previous 30 days were substantially more likely to express confidence in their ability to improve their economic wellbeing over the following year than households with no member who earned a wage over the same period (56% of households with at least one earner expressed a lack of confidence about the future, vs 82% of households with no current earner).

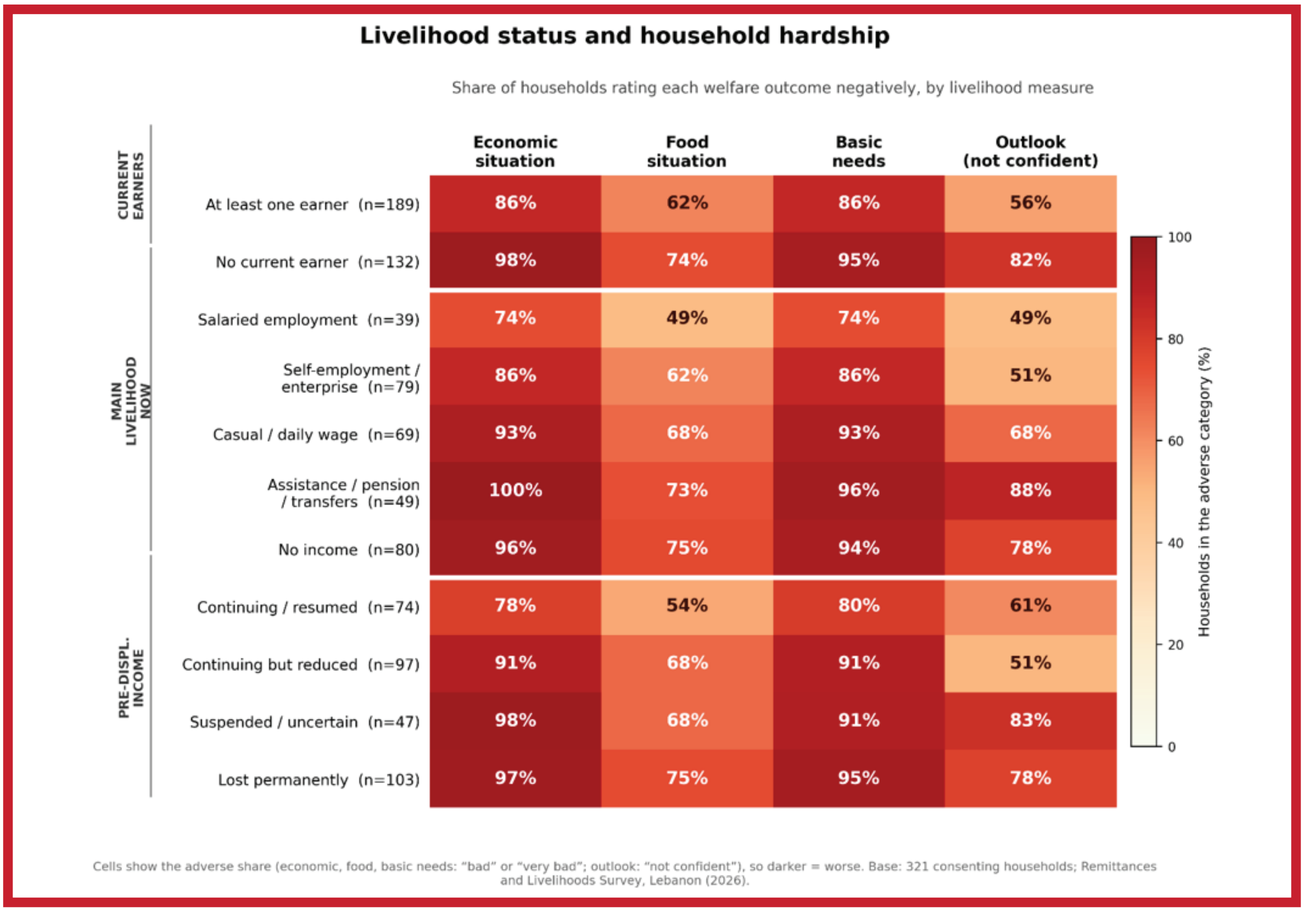

Figure 18. *The proportion of surveyed households reporting adverse welfare outcomes across three dimensions of livelihood status (economic situation, food situation, and basic needs) and household welfare outlook.*

Households whose primary livelihood source was assistance reported levels of economic hardship comparable to, or exceeding, those reporting no income. All households receiving humanitarian assistance, pensions, or other forms of transfers assessed their economic situation negatively, with 88% reporting no confidence in improvement over the coming year. This suggests that external assistance is functioning primarily as a mechanism for meeting immediate basic needs rather than as a pathway to livelihood recovery.

The persistence of livelihood disruption is closely related to current and anticipated wellbeing, particularly in cases where the original income-generating activity cannot be re-established. Households whose pre-conflict livelihood was permanently lost reported substantially higher economic hardship and lower expectations of recovery than households whose livelihood source continued throughout the conflict or resumed after being cut off. Ninety-seven percent of households whose livelihoods were lost permanently reported economic hardship, compared with 78% among those whose livelihoods continued or resumed. Seventy-eight percent of households who permanently lost their livelihood source reported no confidence that their economic wellbeing would improve, compared to 61% among households that maintained or recovered their livelihood source.

Whether a household owns productive assets is not an indicator of how well it can meet basic needs. Economic hardship was reported by 91% of households whose productive assets were damaged or destroyed, compared with 84% among those whose assets remained intact and 93% among households that did not own productive assets. Similar patterns were observed regarding food security and the ability to meet basic needs. Notably, statistical tests[25] show no significant relationship for these outcomes.

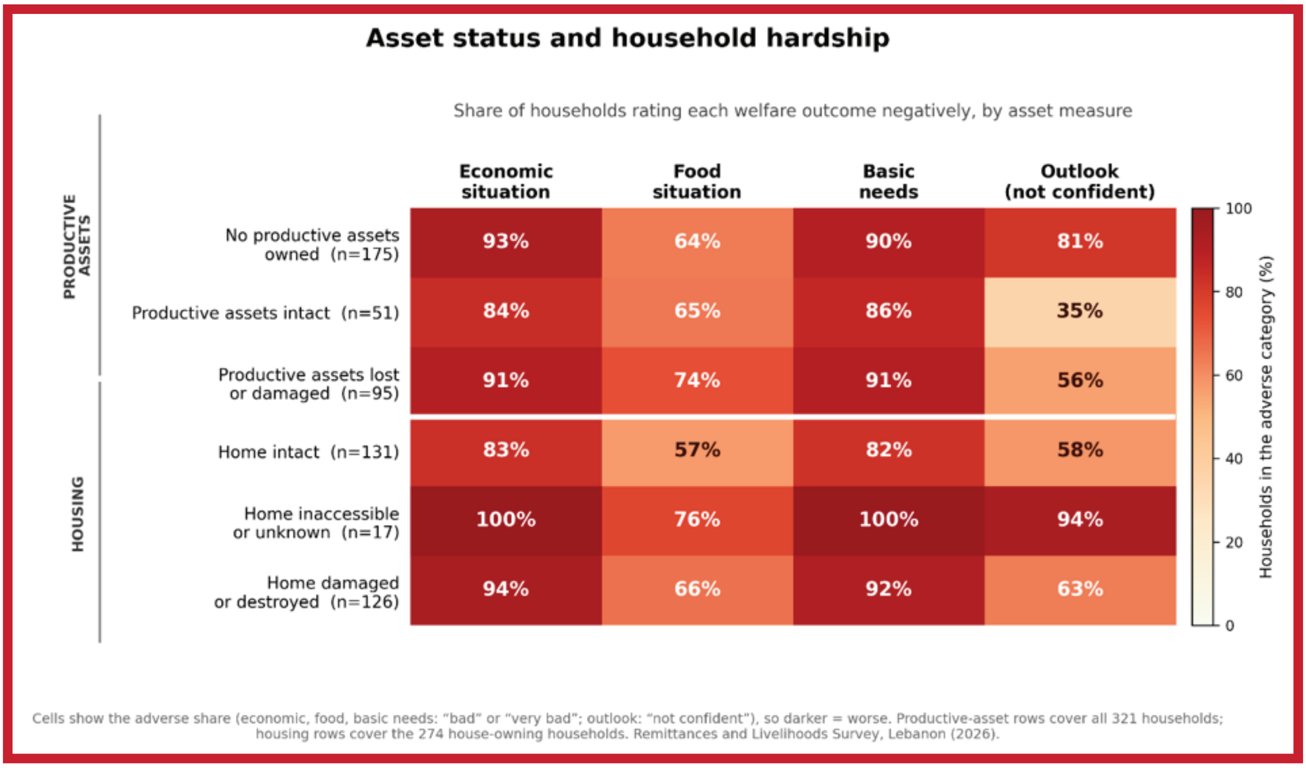

Figure 19. *The proportion of surveyed households rating their current economic conditions, food situation, and ability to meet basic needs as "bad" or "very bad," and household confidence in economic recovery over the next 12 months.*

Expectations of future economic recovery are more strongly related to whether a household has productive assets. The proportion of households lacking confidence in improvement over the following 12 months increased from 35% among those with intact productive assets to 56% among those whose assets were damaged or lost, reaching 81% among households that did not previously own productive assets.

[25] Associations in Figures 20 and 21 were tested using Pearson's chi-square test of independence, with statistical significance reported at $p < 0.05$. Association strength is summarised by Cramér's V, bounded between 0 (no association) and 1 (perfect association) and comparable across tables of different sizes.

Credit: UNICEF

Conclusions and Recommendations

The findings indicate that returns do not result in an immediate improvement in livelihoods and that regaining a livelihood source depends on restoring productive assets and renewed local economic activity. Assistance framed around consumption has not rebuilt households' earning capacities, suggesting that a profile-based approach to assistance focused on productive recovery – one that treats productive-asset replacement, debt relief, and local economic recovery as core components – would have the greatest impact and is likely most suitable. Such an approach would tailor support depending on whether households have returned, partially returned, or are still displaced.

The recommendations below begin with principles that apply to all households and then address specific profiles.

Cross-cutting recommendations

- **Match the instrument to the situation:** Prioritize consumption support (cash, food, rent) for households that remain displaced and productive support (asset replacement, working capital, employment) for those that have returned.

- **Treat debt relief as part of recovery:** Given the widespread reliance on social networks to borrow money for food, targeted debt relief or debt-sensitive cash transfers will free up household resources and protect the informal safety net from collapse.

- **Formulate a multi-year plan, and design for reversibility where return is provisional:** Perennial crops, orchards, herds, and contaminated land recover over years, not months. Recovery funding should be allocated over several years in areas affected by conflict. Funding must also be flexible and reversible (able to pause and resume).

- **Invest in local economic recovery:** Restoring markets, supply chains, SMEs, and local demand are preconditions for both wage labor and self-employment to recover and multiply the effect of household-level support.

Recommendations by household profile

Still-displaced households

These households show the highest rates of permanent livelihood loss, the heaviest and most frequent borrowing, as well as the greatest reliance on assistance. Their immediate needs are ensuring access to basic commodities and maintaining their capacity to return.

- Maintain predictable, multi-month unconditional cash and food assistance, with rent support where households are paying for accommodation.

- Provide debt relief or debt-sensitive top-ups to prevent the exhaustion of family and friendship lending networks.

- Pre-position and prepare return resources (transport, immediate shelter repair, re-establishment grants) so that consumption support can be converted to productive support when safe return becomes possible.

- Ensure that mental health and protection services address the strain of repeated and prolonged displacement.

Returned households with destroyed productive assets

Concentrated in the South and Nabatieh, these households have returned but cannot resume asset-dependent livelihoods because the underlying assets are damaged or destroyed. Investments must be made based on the security situation in each area, while considering that households could be displaced again.

- Divide the south into risk zones before targeting investment: use available damage assessments and displacement data to identify occupied or frontline border areas, where return is blocked or highly precarious.

- Lead with portable, short-cycle, and recoverable support in higher-risk areas such as backyard or container vegetable production, small poultry units, and small-livestock herds, as well as support for local services. Provide targeted recovery grants to severely affected businesses to restore productive assets and inventory needed to resume operations.

- Pair asset support with cash assistance to prevent households in volatile areas from selling assets before they become productive.

- Fund initiatives to remove debris, rubble, and unexploded ordnance. This investment should be made regardless of the course of the conflict because it protects returnees.

Returned households with labor-based livelihoods
Households dependent on wage labor have recovered their livelihood sources relatively quickly compared to others, but work opportunities are more inconsistent and earnings lower than prior to the conflict.

- Support households with targeted vocational training and job-placement services that facilitate transitions to recovery-related sectors such as construction and sustainable agriculture, particularly for those dependent on daily or casual labor.

- Address access barriers such as transport costs, loss of documentation, and safety or mobility restrictions that limit the ability to take up available work opportunities.

Partially returned households
Households that have not returned permanently and are among the most indebted exhibit the weakest livelihood recovery of any group, suggesting they face unique barriers to return.

- Combine consumption and productive support as households return, recognizing that they bear displacement and reestablishment costs.

- Diagnose why return is only partial (safety, services, housing, or livelihood) and tailor support to household-specific constraints.

Women-headed households
Women-headed households rely most on close family and borrow smaller amounts than other types of households, despite comparable or higher needs.

- Prioritize grant-based rather than credit-based support, since these households face greater borrowing constraints.

- Cover care-related and mobility costs (health, transport) that fall disproportionately on women-headed households.

- Verify that assistance reaches women-headed households.

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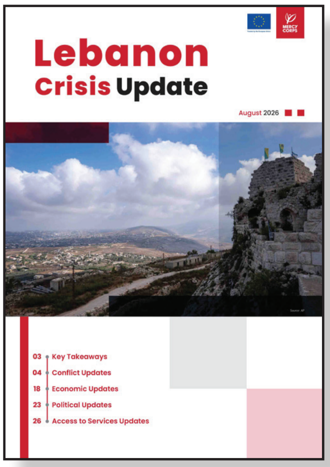

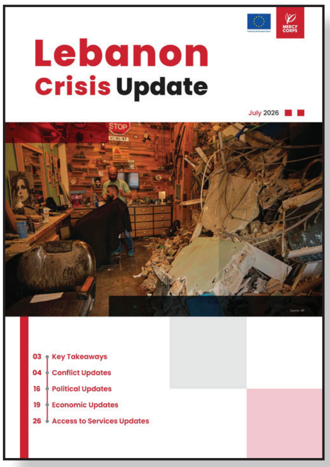

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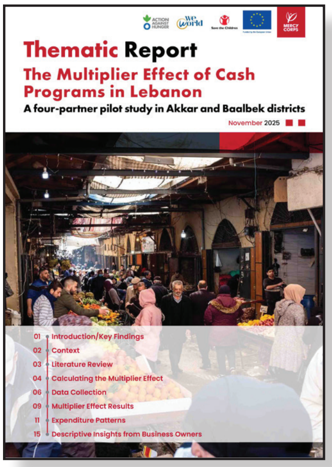

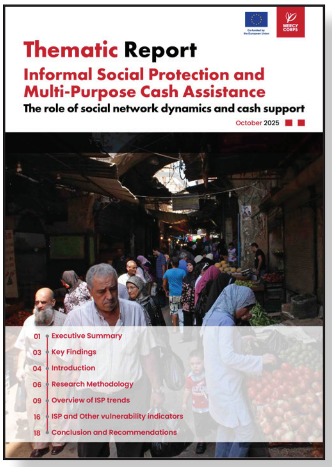

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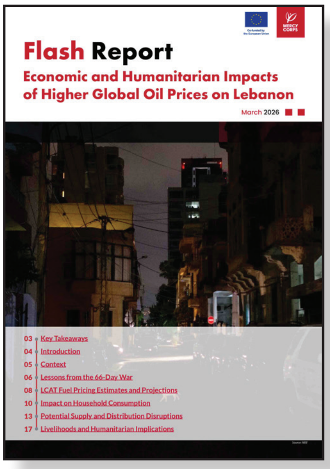

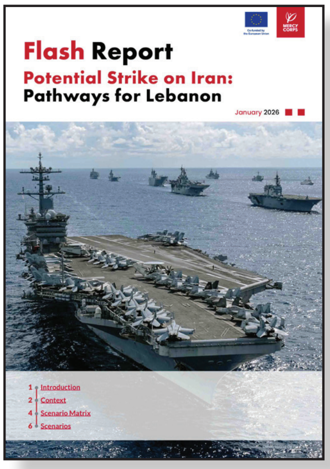

Contact

Team Lead: Crisis Analytics | Lebanon
lb-lcat@mercycorps.org

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