

Working for Inclusion: Economic Inclusion in Contexts of Forced Displacement

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Since 2012, the number of forcibly displaced people has more than doubled, reaching 89.3 million by the end of 2021. Ongoing conflicts, including the war in Ukraine, will result in even larger numbers of forcibly displaced people. The economic and human development impacts of forcible displacement present challenges for the people who have been displaced, the communities that host them, and governments that receive them.

Yet evidence suggests that policy responses to forced displacement can help to mitigate potential negative effects and can create opportunities for local economic transformation. These responses can enable forcibly displaced people to make a positive contribution to the economy and society.

Governments, humanitarian organizations, and others are using economic inclusion programs as one strategy to increase income and assets and build the resilience of displaced people and host populations living in poverty. An estimated 95 economic inclusion programs are underway in contexts of forced displacement in 45 countries, more than half led by governments.

Early evidence suggests that economic inclusion programs lead to positive economic impacts for both hosts and refugees and, while the number of studies is small, impact evaluations of programs in similar settings suggest these programs can work in these contexts. Many programs are at an early stage of design or implementation so capturing lessons learned in the coming years will add to the evidence base and understanding of good practice.

Forcibly displaced people

are defined as those who have been forced to flee their homes due to conflict, persecution, or humanitarian shocks. They include refugees, asylum seekers, internally displaced people, Venezuelans displaced abroad, and returnees.

Economic inclusion programs

are a bundle of coordinated, multidimensional interventions that support poor individuals, households, and communities to increase incomes and assets while working toward the long-term goal of economic self-sufficiency. Its design recognizes that the poorest and most vulnerable people face multiple constraints.

