Unpacking Lebanon’s Resilience: Undermining State Institutions and Consolidating the System?

by Jamil Mouawad

ABSTRACT
Despite ongoing crises Lebanon carries on adapting and accommodating itself to new realities and challenges. As a result, international and national actors continue to praise Lebanon’s resilience. This resilience finds roots within state–society relations that have long undermined state institutions while empowering a “system” of patronage and clientelism often endorsed directly or indirectly by the international community. Extolling Lebanon’s resilience secures the resilience of the system and undermines public institutions of the state, rendering society dependent on the system rather than on the state. Lebanon’s lauded resilience is actually the resilience of its elites, whose purpose is to undermine state institutions. The stability of Lebanon is the resilience of its elites, which in turn hides the seeds of conflict and instability that might erupt at any point.
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Introduction

In 2011, a New York Times article suggested that the protracted crisis in Lebanon has become a “way of life”, whereby Lebanon is to the crisis what the “sherpa is to the mountain”. The article quotes a shopkeeper, convincingly summarizing Lebanon’s relationship to crisis: “We’ve been through so many wars. It doesn’t matter what happens anymore. One day there’s a crisis, the next morning we wake up and nothing. It’s like a 7-Up. You shake it and it explodes. You leave it alone, and it stays flat.”

Lebanon has continued to be “shaken” consecutively at least since the official end of the Lebanese civil war (1975–1990). Despite continuing attacks by Israel on Lebanon (1993, 1996 and 2006), institutional deadlocks, extended periods of presidential void, the absence of an official budget since 2005 as well as the recent influx of Syrian refugees, the state remains intact and a sense of business as usual continues to characterize the Lebanese polity. In fact, Lebanon carries on adapting and accommodating itself to new realities and challenges, without a major change in the composition of the ruling elite in decades. Meanwhile, the international community continues to praise the so-called resilience of Lebanon.

It is no secret that in recent years the concept of “resilience” has become more popular in the discourse of the international community and humanitarian and development agencies. Most recently, the EU Global Strategy (EUGS) has put resilience at centre stage in defining Europe’s role in the world. Even though it

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2 Couple of years ago, for instance, the United Nations Development Programme (UNDP) adopted a new slogan that attest to this shift: “Empowered Lives. Resilient Nations”.

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does not provide a clear-cut definition of the concept, the EUGS reveals that the “resilience” of the states and societies on the “East” and the “South” of Europe ultimately serves the interest of the EU: “Fragility beyond our borders threatens all our vital interests”, reads the EUGS. Thus, resilience, or “the ability of states and societies to reform, thus withstanding and recovering from internal and external crises, benefits us [EU].”

The worldwide pervasiveness of the concept gives the impression that resilience is unquestionably a “good” value to be striven for, invested in and cultivated throughout society at whatever cost. The problem, however, is that resilience remains a concept not clearly defined and rarely empirically explored. In light of this, how can we understand Lebanon’s so-called “resilience”? Who are its main actors? Who is resilient, to what, and by what means?

1. Lebanon’s hailed resilience: How is it understood?

Lebanon’s so-called resilience, whether extolled or criticized, has been understood in many ways over the years. The most prevalent account of Lebanon’s resilience stresses the country’s financial and economic strength. The resilience of the economy during times of conflict and state disintegration is attributed to Lebanon’s liberal and market-oriented economy, whereby the private sector historically has been self-reliant and independent of state intervention. At the same time, however, the sector has not been able to sustain itself without governmental fiscal policies. For instance, and until today, the central bank plays a crucial role in maintaining the stability of the sovereign debt through the currency peg. What makes Lebanon further financially resilient, from this perspective, is the nexus of the commercial banks and the central bank, whereby the latter preserves the stability of the exchange rate, but also preserve the profitability of the banks. The economy hence remains stable and the central bank, a public authority, is at the service of private interest while simultaneously securing the stability of the national economy. Moreover, commercial banks are directly associated with the treatment of the state’s financial obligations.

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political elite. The findings of a study published in 2016 reveal that “18 out of 20 banks have major shareholders linked to political elites”, and that “four out of the top 10 banks in the country have more than 70% of their shares attributed to crony capital”.9 Meanwhile, expat remittances constituted approximately 15.9 percent of the GDP in 2015,10 substantially helping to counterbalance the absence of a productive national economy.

A second account of Lebanon’s resilience underscores the capacity of society to come together and self-organize, whether through family networks or communal solidarity, during times of hardship such as the civil war, the July 2006 war11 and the aftermath of the Syrian influx into Lebanon.12 A third related attribute of Lebanon’s resilience is its ability to weather regional spillover effects, particularly the impact of the ongoing Syrian war. Since “the opportunity costs of war” are deemed too high for all political actors with stakes in Lebanese affairs, whether nationally or regionally,13 Lebanon remains above the fray of all-out conflict. Finally, a most convincing and recent argument is that what international donors praise as Lebanon’s resilience is in fact the capacity of its elites to keep their privileges and influence at the expense of state institutions and political reform.14

According to these interpretations, resilience is presented as a clear or rational policy that is designed and orchestrated by institutions and political groups, or a societal response that is akin to a survival mechanism. Studying state–society relations in the specific case of Lebanon, however, reveals that resilience is neither a policy nor a mechanism to adapt to new situations. Rather, resilience is a discourse, often adopted by international actors and appropriated by national elites, that conceals a set of practices by several actors, ranging from the international community to the ruling political elite, that hollow out state public institutions. These actors work to pursue their own interests in the name of an allegedly “weak” state or in support of Lebanon’s state-building. In this sense, lauding Lebanon’s resilience is misleading as these mechanisms empower the resilience of the system and undermine the state’s public institutions, rendering the society dependent on a system of aid and

clientelism rather than on state-driven development projects.

2. Background: State–society relations in Lebanon

There is a common tendency to depict the state in Lebanon as “weak” or dysfunctional, whereby its public institutions are unable to penetrate the society\(^{15}\) on the one hand, and its power-sharing formula gives greater power to sectarian groups to the detriment of state institutions on the other.\(^{16}\) As a result, sects supersede the “state” and prevent the emergence of an independent “civil society”. This paves the way for external intervention and meddling by regional powers in domestic affairs and the emergence of powerful non-state actors.\(^{17}\) The state is therefore said to be weak and becomes irrelevant in understanding Lebanon. Yet in order to understand Lebanon’s resilience, it is important to examine state–society relations and not succumb to narratives of “state weakness”.\(^{18}\)

The edifice of the state was set up during the French mandate (1920–1943) when a centralized administrative bureaucracy was established that “kept the number of government officials at a minimum, leaving the bulk of the educational, medical and other services to be provided on a communal basis”.\(^{19}\) Effectively, the newly established bureaucracy and the “colonial civic order” were based on “organizing power relations between state and non-state actors by setting norms and practices by which they interacted”.\(^{20}\) This granted societal and political groups an essential role in distributing state resources to society through welfare organizations and employment.\(^{21}\) The current governance of Lebanon has its roots in the “war system”, which was developed by militias and civil administrations as a substitute to the void due to the collapse of state institutions during the civil war (1975–1990). This war system “generated and institutionalized its own groups and networks with its particular structures and interrelated webs of rule and obligations”.\(^{22}\)


The war system was further consolidated during the post-war period, when the state was presented by the post-war ruling elite, an alliance of warlords and a new “contractor bourgeoisie”, as unable to undertake reconstruction efforts. In fact, the post-war system granted this elite a key position in state–society relations. The system worked in two directions, with state institutions central to its functioning. On the one hand, the ruling elite did not spare any efforts to accumulate resources through capturing and cannibalizing state institutions by setting up neo-liberal policies which granted the private sector an essential role in serving the society. On the other hand, the system set up “powerful and effective redistributive mechanisms” through injecting “considerable amounts of subsidies to cater for the needs” of the population who are suffering from this system in place. Consolidating and securing the resilience of this system creates what can be described as a “parallel state”, which acts as an intermediary between state and society and is endorsed by the ruling elite and the international community.

3. Resilience of whom and to what?

In what follows, the paper takes two examples of how the “system”, rather than the state per se, secures its resilience. The examples are drawn firstly from the 2015 trash crisis, which witnessed popular mobilizations unprecedented in post-war Lebanon, and secondly from the refugee crisis that Lebanon has experienced since 2011.

3.1 The private-public collusion: The trash crisis

According to the law of municipalities in Lebanon (Law No. 118 of 1977), trash collection and management falls under the prerogative of local authorities. Just after the civil-war, the government judged the municipalities as lacking in knowhow and not having sufficient funds, and delegated trash collection and management to private companies. In 1993, the government contracted a private company, Sukleen, to collect and sort Beirut’s trash. Sukleen charged at least double the cost of what the municipality of Beirut would have charged. Several reports highlighting this discrepancy were completely ignored by the government.

It is not a secret anymore that then-premier Rafic Hariri favoured Sukleen because it was established by his close friend Maysara Sukar. The contract, originally awarded for three years only in 1994, was regularly renewed to cover a large part of the Lebanese territory. It is highly probably that Sukleen paid off members of

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the ruling political elite to secure its presence in this sector. Driven by private interests, the government used funds allocated to the municipalities to foot the bill for private service providers. Accordingly, Sukleen is not accountable to the public in the same way the municipalities as elected bodies would have been. Instead, Sukleen’s fate depends on its network in the government.

In 2010, during a meeting under the presidency of Saad Hariri, the son of Rafic Hariri, the Sukleen contract was brought to the table for negotiation. According to newspapers, Saad Hariri addressed his ministers, clearly asserting: “either the contracts are extended or you will drown in garbage”. Then in 2015, when ministers disagreed over a solution, Beirut’s streets effectively became trash heaps. The reality of trash on the streets brought the Lebanese face to face with the failure of their government. They had heard about it before, and individually encountered it in their everyday lives – this time, however, they could feel it and smell it.

As a reaction, a group of young activists took to the streets to protest the trash crisis. The mobilization soon transformed into a popular protest, which put unprecedented pressure on the ruling political elite. The “You Stink” movement targeted not only the foul smell of the mounds of garbage polluting streets throughout the country, but also the rampant corruption of the Lebanese political system. The demands of the movement ranged from holding the minister of environment accountable for failing to manage the rubbish crisis and the minister of interior accountable for resorting to violence against protesters, to conducting new parliamentary elections and bringing down the sectarian regime. During the crisis, the government was unable to find immediate and successful solutions. In fact, any proposed solution was directly related yet again to the unapologetic corruption of the ruling elite. For instance, the government initially awarded waste collection tenders to six companies run by people close to power. Two days later, under pressure from the streets, the tenders were cancelled. Then prime minister Tammam Salam stated that he would not convene his government until a trash solution was found. Subsequent events show that such any such solution continues to lie within the purview of the ruling elite, and depends on their consensus and hence their private interests.

As of the time of writing, the trash crisis remains unresolved, according to the demands of experts and the civil movement. Trash heaps were removed from the streets in summer 2015 and Sukleen continued afterwards to collect the trash. Most recently in September 2017, the mayor of the Beirut Municipality called for a press conference to inform the public that a new company, Ramco Trading, had won the bid for waste management in Beirut. In stark similarity to the process adopted with

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27 Ibid.
Sukleen since 1994, the public remains uniformed about the bid and the terms of the contract. This has raised concerns for groups such as Beirut Madinati, a civil collective that ran for the 2016 municipal elections against the winning list supported by Saad Hariri. Expressing concern that the Court of Audit had not issued a final decision regarding the tender, the civil collective launched a campaign to petition the municipality and pressure it to provide detailed information about the process for the sake of transparency and accountability. While it is too early to judge the performance of Ramco, and the connection it has to politicians, yet again the process attests to how the state is “hollowed out” to the advantage of private interests, which in turn serve society at an exorbitantly high financial and environmental cost.

In other words, public state institutions, whether the government or the municipality, do not seem to be the locus of power where decisions are taken. Rather, it is the parallel system representing private interests that has proved more powerful and able at any stage to impose its decisions and solutions on the public authorities.

3.2 Syrian influx into Lebanon: The pinnacle of resilience?

Since the outbreak of the Syrian crisis in 2011, fears have emerged about a potential spillover of the war into Lebanese territory. Despite significant tensions and occasional violent clashes (such as the battle of Arsal in 2014), and most recently a war against the Islamic State or ISIS on the north-eastern borders with Syria, this spillover has been contained, and Lebanon has not fallen into civil conflict between domestic groups divided along Syrian political fault lines, or between host communities and Syrian refugees. Lebanon hosts approximately 1.1 million refugees from Syria, which amounts to around one in five people in the country, or one in four according to other estimates. A 2016 IMF report reads: “Lebanon's response so far is a testament to both its generosity and resilience”. The report concludes that Lebanon is doing “a global public good” related to the availability of refugee protection. This service necessitates the commitment of the international community to securing funds in support of Lebanon, whether for the host community or the refugees themselves.

In Lebanon, two parallel policies have been adopted to deal with the influx: a grassroots policy whereby the majority of people, and especially those who sympathize with the Syrian revolution, have hosted Syrians in their villages or towns in the name of “hospitality”; and an open door policy adopted by the government according to which all refugees have been able to enter the country.


52 Ibid., p. 5.
These two policies are now being somehow modified. The state closed its borders in 2015. Against the backdrop of a discourse of hospitality, a discourse of greed or grievance is growing louder among host communities. At the same time, and chiefly among the international multilateral actors, a discourse oriented towards social cohesion and the prevention of violence is emphasized. In addition, a wide range of international and non-governmental organizations have actively provided aid to the refugees and host communities.

In the absence of an efficient centralized national policy, the role of the Lebanese government is limited to raising money for infrastructure under the alibi of serving host communities and in order to appease growing tensions between the Lebanese and Syrians. Accordingly, Lebanon is said to be on the brink of physical collapse and the government urges that most of the aid should go to infrastructure. The state has not invested much in infrastructure, innovation or job creation. As shown recently, the 1.6 billion dollars UN envelope deployed in response to the Syrian crisis represents three times what the government itself spends. Therefore, the UN, along with other agencies, functions as yet another parallel state, providing services to alleviate the grievances of the Lebanese community, not unlike the Lebanese ruling elite.

Most importantly and despite the development of the Lebanese Crisis Response Plan, which is led by UN agencies along with the Minister of Social Affairs, the role of the state remains oriented towards “raising money”, although this role is limited to “validating or endorsing the decisions and strategies of donors and international agencies”. The risk – and the stabilizing factors – related to the crisis lies not in the (in)ability of the state to adopt a comprehensive plan or not, but rather in the will of the international community to fund Lebanon. In this sense, the hailed resilience of Lebanon in hosting a large refugee population depends more on international aid and less on state policies. The Lebanese society in return, and specifically in underprivileged areas, is now dependent on the funds that are allocated to supporting local communities. In many instances, a lack of funds directed to the municipalities leads them to put pressure on the international community to expel the refugees. In this sense, intervention poses a twofold problem. On the one hand, the international community remains a key player in addressing the Syrian refugee crisis while giving a limited role to state institutions formulating long-term and rights-based development projects. On the other hand, while the state has played an active role in pursuing certain policies that accentuate the vulnerability of the Syrian presence in Lebanon, it has nevertheless remained absent from drafting and adopting rights-based policies (more tolerant procedures for residency for

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33 Estella Carpi, “Syrians in Akkar: Refugees or Neighbours?”, cit.
the Syrians) or undertaking development projects that secure jobs and services for both the Lebanese and the Syrians themselves.

4. Challenges to resilience: A grim situation

Contrary to how the EUGS understands resilience, this paper does not approach the topic in a normative way, whereby resilience is something positive or negative. On the contrary, it shows that Lebanon’s resilience is rooted within state–society relations that have long undermined state institutions while empowering a system of patronage and clientelism often endorsed directly or indirectly by the international community. Its effects are clear: undermining state institutions, empowering the “system” and creating a dependency of society on this system. The so-called resilience thus produces and reproduces the same features and parameters of what we often call “Lebanon’s fragility” or “state weakness” and which in turn create the foundations for elite resilience. Indeed, Lebanon is resilient to the extent that it does not collapse or experience renewed civil conflict; however, this resilience is exclusive to certain groups and does not foster institutional sustainability or social justice.

Moreover, this so-called resilience results in a fake “stability” more than anything else. This stability harbours the seeds of conflict and instability that persist underneath an outward image of “resilience” and might indeed erupt at any point.

In the two examples provided above, the paper shows how governance takes place outside state institutions. If this resilience is lauded by the international community, it is nevertheless far from helping establish a well-grounded social contract between state and society based on social justice, rights and equality.

Indeed, the situation is grim. According to a study conducted in 2013, 48 percent of private wealth in Lebanon, which is estimated at 91 billion dollars, was concentrated in the hands of just 8,900 individuals, or 0.3 percent of the adult population. On the other side, 99.7 of the population owned 52 percent of this wealth.36

Despite the lack of official data, a study by the World Bank and the Central Administration for Statistics (CAS) reveals that in 2011–2012, “27 percent of the population were poor. This implies that about one million people had levels of consumption that were below the annual poverty line”.37 On the other hand, “45 percent of individuals 15 years of age and above were in the labor market and

employed. Fifty-one percent of the population in this age range were inactive (i.e. not in the labor force). The unemployment rate, defined as the ratio of unemployed to total active population in the labor force, was about 9 percent.\textsuperscript{38}

Institutionally, the last legislative election was organized in 2009 and the parliament has prolonged its mandate for two consecutive terms failing until now to organize elections. The upcoming elections in May 2018 remain uncertain. The budget approved by the government in 2017 has yet to be approved by the parliament, and if approved it serves chiefly the private interests of the ruling elite. In fact, during the past 12 years the budget has been spent in an ad hoc manner, and subject to little or no oversight from the parliament. The World Bank estimates that the country’s debt-to-GDP ratio, among the highest in the world, will reach 157 percent in 2017.\textsuperscript{39} More serious indicators continue to reflect the country’s social and economic predicament. Lebanese young people who have received higher education are looking forward to leaving the country for better economic opportunities. Thirty-six percent of young men and women (15–29) express their desire to emigrate to countries outside Lebanon.\textsuperscript{40} Since 1990, statistics show, over half a million Lebanese have already been living abroad. More precisely, in 2014, an estimated 885,000 Lebanese migrants, first-generation, born in Lebanon, were residing abroad.\textsuperscript{41} In 2007, of those who migrated, aged between 18 and 35, 43.4 percent have university degrees, and 22 percent have high school degrees, which reflects the “brain drain”, as migrants are almost twice as educated as non-migrants.\textsuperscript{42}

Of course, Lebanon has proven to be “resilient”, no matter how we define this concept. It has survived the wave of Arab uprisings, popular mobilizations, political deadlock and external pressure due to the presence of Syrian refugees and the involvement of Lebanese parties in the war in Syria, whether through direct military intervention or support to military groups. Yet this trompe-l’œil\textsuperscript{43} resilience is indeed the resilience of the system and the ruling elite and not that of the state. It is equally the resilience of the society – a society that presently depends on this system.

\begin{thebibliography}{9}
\bibitem{ibid} Ibid., p. 3.
\bibitem{ atrache} The expression is borrowed from Sahar Atrache, “Lebanon’s Deceptive Resilience”, in Middle East Eye, 23 July 2015, http://www.middleeasteye.net/node/45343.
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There is a pressing need to face the reality and avoid sweeping any more dust under the rug. If Lebanon has survived the spillovers from the Syrian war, this does not mean that the Lebanese are not involved in the conflict. The battlefield is different (Syria not Lebanon) but the actors are the same. It is time to seriously address the structural faultiness of the Lebanese system. The municipal elections in 2016 clearly attest to a healthy environment, where a group of independents challenged the ruling elite by fielding a list and running for the elections. This is a welcome move as reform is not about pressuring the system and advocating for change through democracy promotion. Reform in this context is about winning elections and reclaiming the state as the only institution through which structural change can be brought about.

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References


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