



SUBMISSION TO THE UNITED NATIONS SPECIAL RAPPORTEUR ON EXTREME POVERTY AND HUMAN RIGHTS AHEAD OF THE VISIT TO LEBANON

THE LEGAL AGENDA

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The economic and banking crisis in Lebanon manifested in the depreciation of the Lebanese Pound, and further exacerbated by the blatant failure of the government to implement a sustainable relief plan, has steered increasing poverty rates in the country. However, poverty in Lebanon is not an unavoidable circumstantial result of recent events, but rather a manifestation of a socio-economic system aiming at increasing citizens' vulnerability and turning destitution into a permanent situation that the political system strives to exploit and reinforce ties of sectarian clientelism.

For years, successive governments have ignored poverty and dealt with it as though it were a transient issue outside of society's core concerns.¹ Today, approaching poverty as a secondary matter is no longer possible, as it has become an undeniable and overwhelming reality within Lebanese society. However, and despite the severity of the crisis, the political establishment has not only failed to address poverty, but even worse, attempted to exploit the crisis to reproduce and reinforce clientelist ties. Poverty alleviation strategies have relied on providing aid and establishing funds in the absence of policies that curb the causes of poverty or address its socioeconomic context, thus dealing with poverty as a gap that must be plugged with aid and food baskets and as a matter of fate that strikes the less fortunate.

The Legal Agenda thus expresses its deep concerns over the handling of the question of poverty in the country,² namely for the following reasons:

1- The political exploitation of poverty

It is no secret that the Lebanese system – or at least the post-war system – is based on undermining state institutions and promoting clientelism. Manifestations of this phenomenon have become clear in all sectors, from the promotion of private education at the expense of state schools and Lebanese University to the strengthening of private hospitals at the expense of public hospitals and clinics. Needless to say, the social welfare sector was no exception: the recurrent governments' approach to poverty was along the lines of undermining the welfare state in the interest of strengthening the non-governmental sector embodied in political parties and sects.

As a result, the state's role was hijacked in service of elite leaders and clientelism. Instead of playing a direct role in implementing social protection policies, the Ministry of Social Affairs has resorted to partnering with and contracting civil sector social institutions.³ Non-governmental institutions thereby emerged as service providers, and the state's role was limited to contracting and funding them, which meant weak monitoring of the proper implementation of policies and follow-ups. Anyone familiar with the Lebanese situation knows that most of these bodies are subordinate either to political parties

¹ Fawwaz Traboulsi, *Salat bi-La Wasl: Michel Chiha wa-l-Idiyulujiya al-Lubnaniyya*, Beirut, Riad El-Rayyes Books, 1999, p. 139; Fawwaz Traboulsi, "[al-Tabaqat al-Ijtima'iyya fi Lubnan Ithbat Wujud](#)", Beirut, Heinrich Böll Foundation, 2014, p. 60.

² This submission contains excerpts from the following article:
Lama Karame, '[Manufacturing Poverty in Lebanon](#)', *The Legal Agenda*, May 27, 2020.

³ Nimat Kanaan, *al-'Amal al-Ijtima'iyy fi Lubnan: Intilaqatuhi wa-Tatawwuruhi wa-Afaquhu al-Mustaqbaliyya*, Beirut, p. 58.

and actors or to religious institutions. Most are connected to religious endowment authorities, which in turn benefit from unjustified privileges, particularly tax exemptions. These practices have consolidated the state's absence from the public sphere while portraying the civil sectors (particularly the political parties and sects) as the alternative to a bloated state. These institutions thereby became a gateway for sectarian leaders [zu'ama'] and the influential to provide services and buy support.

The current context of rising poverty rates thus provides a fertile ground for the political establishment to exploit poverty to reinvent itself, especially on the eve of the parliamentary elections in 2022. It is feared that the provision of further international aid will become a gateway for exploiting the services and donations politically.

2- Limiting poverty alleviation to direct aid in the absence of comprehensive socio-economic policies

The Lebanese State – supported by international donor agencies – has thus far responded to poverty by providing direct financial assistance. In exchange for its commitment at the 2007 Paris III international donors' conference to reduce extreme poverty, the Lebanese government received a donation to fund the implementation of an emergency social protection net, which includes the Emergency National Poverty Targeting Program (ENPTP) in the Ministry of Social Affairs. The project of implementation was actually launched in October 2011. The program aimed to provide the poorest Lebanese households with social assistance, particularly full health coverage, student fee exemptions, and food aid for those in the most extreme poverty.⁴ The program was marred by many issues, such as adopting a relatively old system and set of standards to define poverty and relying on the lowest poverty line to determine beneficiaries. However, the most significant reservation about the program was in the lack of any strategy for improving the circumstances of the beneficiary households. Such a strategy could have included, for example, the provision of certain training or education or even networking with the unemployment reduction program. Hence, the program entrenched dependence on it without providing the households with any ability to escape it, thereby keeping the poor poor while entrenching the logic of the need for assistance and creating an endless spiral of dependence. This spiral also affected the program's chances of continuing, especially as the number of families meeting its criteria increased.

The weakness of the program became apparent with the current crisis, especially that the government decided to vest the task of distributing the COVID-19 aid through the Higher Relief Council, and later relied on the Lebanese Army for the same task. Accusations of patronage in the registration of families were also leveled against the program and continue to be heard as the current government promises the disbursing of ration cards. However, and although it remains unclear whether the cards will be disbursed through the ENPTP or the Impact Platform, one must note with caution that regardless of the program or the oversight agency, the fact of limiting poverty alleviation to providing direct financial aid (which seems to be the case of ration cards) remains insufficient if it did not address the rising expenses paid by individuals. Effective poverty alleviation efforts thus require a comprehensive relief plan that would prioritize access to fundamental rights, and namely housing, health, and education. The general state of mobilization currently extended until the end of 2021 offers

⁴ Approximately 5,076 families in 2014.

a legal framework that allows imposing exceptional measures in that regard.⁵ The severity of the crisis and the rapidly inflating reality of inequality and poverty can only be rectified by exceptional measures that derive from the concept of an "effective State", and the rational usage of the remaining currency reserve to protect society through ensuring its basic needs.

3- Divorcing poverty from socioeconomic realities

Addressing poverty in Lebanon has been dissociated from addressing its causes, most notably the structures that allow for the major concentration of wealth in the country. Lebanon is considered one of the countries with the highest levels of wealth distribution imbalance. In 2019, [UNESCWA](#) estimated that only 10% of the Lebanese own 70.6% of the wealth. The "Gini" index, which measures wealth distribution disparity, stands at [81.9%](#), one of the highest in the world. In June 2021, the World Bank considered the economic and financial crisis in Lebanon as one of the most severe global crises episodes, amidst [deliberate inaction](#).

However, and despite the severity of the crisis, poverty alleviation efforts remain limited to providing immediate aid, without rethinking the structure of inequity or proposing holistic strategies that could restore balance to the fractured socioeconomic relations. In other words, poverty is treated as an unfortunate inevitable result of the crisis, rather than a product of unequal structures.

The Lebanese State had set a goal in 2008 of halving extreme poverty by 2015.⁶ However, the pledge was not accompanied by any social or economic policy to achieve it. Instead, it came within an approach undermining the reforms that could reduce the causes of poverty and shrink the gap between classes. For example, all sides of government rejected former minister Charbel Nahas' 2011 bill to provide comprehensive health coverage to all residents (50-60% of wage earners today do not receive social security benefits)⁷, as well as his proposed tax policy incentivizing first employment among young men and women. That government also aborted the "social wage" principle that he proposed. Furthermore, authorities have dealt with poverty via the same quota-sharing logic; a study found that the budget of the Ministry of Social Affairs is divided evenly among the regions and sects rather than on the basis of poverty and the need for social assistance.⁸

The narrative around poverty remains totally dissociated from any effort to address the structural causes of inequality, such as the control of monopolies reaping fantastic profits over vital sectors (health, energy, medicine, and food)⁹, nor the inequitable taxation policies reflected in the most recent

⁵ The Legal Agenda, 12 August 2021. Facebook. <<https://www.facebook.com/LegalAgenda/posts/4595014670516265>>, accessed on 10 October 2021.

⁶ UNDP and MoSA, "Poverty, Growth and Income distribution in Lebanon", Beirut 2008.

⁷ Nupur Kukrety & Sarah Al-Jamal (2016). 'Poverty, inequality, and social protection in Lebanon.' *Social Justice and Development Policy in the Arab World*.

⁸ Nisrine Salti, & Jad Chaaban. (2010). The role of sectarianism in the allocation of public expenditure in postwar Lebanon. *International Journal of Middle East Studies*, 42(4), 637-655.

⁹ For a comprehensive overview on monopolies in Lebanon, see Legal Agenda's issue [number 68](#), published in May 2021.

budget.¹⁰ The State remains reluctant to reclaim public funds, whether in imposing stricter taxing policies or in seizing stolen public property, or even finding a fair solution for withheld small and medium deposits.

4- Institutionalization and penalization of vulnerable groups

It is finally to be noted that the rising poverty rates are likely to disproportionately impact already vulnerable populations. According to a [study](#) conducted by UNICEF in June 2021, over 30% of children in Lebanon went to bed hungry and skipped meals in the past month. 77% of households did not have enough food or enough money to buy food, the figure reaching 99% in Syrian refugee households. One in ten children has been sent to work, and 77% of children are from families that do not receive any social assistance.

One main concern arises here in the institutionalization and penalization of poverty. The Lebanese State had been criticized for predominantly resorting to residential institutionalized care of children. The Ministry of Social Affairs' has maintained a policy of placing poor children (termed by the MoSA as 'social case') in care institutions instead of leaving them with their families and supporting the families directly, as required by the principles of the child's best interest.¹¹ Statistics indicate that 90% of the children placed in care institutions are poor, and [researchers](#) in this area believe that this high percentage stems from the trend toward a policy of "institutionalizing poverty": as most care homes are subordinate to party and sectarian institutions, placing poor children in them brings these institutions funding from the Ministry of Social Affairs. In fact, these institutions lobbied against a proposal presented by the Ministry of Social Affairs in 2004 to replace the financial support the state provides to the private care institutions with direct monetary aid for the families of the children concerned in order to keep them in their own social environments. The current crisis poses additional questions as to the alternative ways of protecting vulnerable populations in the absence of state support and lack of funding.

Furthermore, one must note with caution that the rising poverty rates have not led to a change in judicial and penal policies. Recent trends have shown relatively high prosecution rates of poverty-related crimes, such as street vending, and shoe-shining. Authorities failed to adequately implement the 2011 Anti-Trafficking Law adopted to criminalize all forms of the exploitation of others. A 2018 study by The Legal Agenda showed that criminal prosecutions for human trafficking rarely covered economic exploitation or forced labor. Authorities also did not adequately investigate organized crime or criminal rings, targeting instead low-income people such as the family members of children involved in begging or women involved in prostitution.¹² Judicial authorities continue to have recourse to

¹⁰ Nizar Saghih & Fadi Ibrahim, '[muqtarah muwazanat 2021 yatamaha ma'a al-masaref \(4\): dariba wahmiyya li-tadamun wahmi](#)' (English: 2021 public budget empathizes with the banks' plan (4): a fake tax for fake solidarity), The Legal Agenda, 18 February 2021.

¹¹ See also Save the Children Lebanon, "[Child Rights Situation Analysis – Lebanon](#)", 2016, p. 94. The report criticizes the placement of children from poor families into care homes. It deems that the issue is complicated because the social welfare institutions have become rooted in the sociopolitical system and enjoy broad influence, making it difficult to dismantle them.

¹² Nizar Saghih, '[Do We truly Want to Deter Human Trafficking and Protect Its Victims?](#)' The Legal Agenda, 22 October 2018, Ghida Frangieh, '[Human Trafficking Crimes Before the Courts: In the Shadow of Prosecution](#)', The Legal Agenda, 18 September 2018.

excessive pre-trial detention, including in conflicts of a civil or financial nature, without sufficient consideration to its socio-economic costs on people in precarious situations.¹³

IN SUMMARY, some may consider talk on comprehensive schemes to address poverty to be hypothetical given the bankruptcy of the state. However, even a bankrupt state – and perhaps more so than others – can propose [socioeconomic policies](#). Collecting donations is not the only solution available to a bankrupt state, especially given the general mobilization decision allowing it to make bold decisions that do not require budgets and enormous funding.

Poverty has become the dominant reality in Lebanese society. Consequently, we face two possibilities: either the clientelist approach endures and works to reproduce itself via donations and aid, or it gives way to comprehensive social policies that ensure a fair distribution of wealth and allows the establishment of a new social system that guarantees rights and protects the most vulnerable. For today, it is no longer possible to talk about poverty without thinking about its antithesis: obscene riches and the wealth amassed via the system of quota-sharing and corruption.

¹³ Ghida Frangieh, [Pre-Trial Detention in Lebanon: Punishment Prior to Conviction of a Necessary Measure](#), The Legal Agenda, 22 May 2019.