

Podcast transcription **Governance Uncovered**, with Mona Harb and Sami Atallah

ELLEN

So, thank you, Mona and Sami for joining me today.

I'm really excited to talk to you about the situation in Lebanon and how it helps us to both understand local governance and how that helps us to understand the situation today that you're facing.

As many people might know, Lebanon has always had waves of crisis, but probably the last two years have been particularly difficult. Some people call it a triple crisis. They think about the port explosion that took place in August of 2020, that not only killed hundreds of people and had the cost of people losing their homes in the violent explosion, but also really took a toll on the health care system and the economy and infrastructure.

And that was followed and related to a political crisis with Government resigning and then 13 months of basic political stalemate trying to get a new government put into power and into place. Combined with the most recent wave of crisis, which is the economic crisis right? Which again, very much interrelated with the first two, but really has taken a toll on in Lebanon to the extent that the World Bank Lebanon Economic Monitor has said is likely to rank in the top ten economic crises since the mid 19th century. Which is quite depressing, to put it mildly.

So, I wanted to start just by asking you to help us understand what that looks like in Lebanon. It's one thing to read these statistics and to talk about this from an abstract point of view and quite a different thing to experience it and know what it means for daily lives. So, if you could start by just giving a sense of what it's meant for the Lebanese?

SAMI

First, thank you so much for hosting us, it's pleasure to be with you on this podcast.

Indeed, as you have very well summarized the situation, Lebanon is facing a multi-faceted crisis and I would say unparalleled unprecedented on so many fronts.

So, this is a country that actually ended the Civil War 30 years ago under some sort of power sharing agreement and in fact we're witnessing now all the problems that been shelved, I would say, for so many years just exploded all at once in the last three years.

So, we start with a, definitely a financial economic crisis. And that by itself, by the way, it's like triple crisis within that only. And what I mean by that is that you have a currency crisis for the lira that has depreciated significantly, so you see people falling under poverty in no time, and now the poverty rate has reached from 30 % of the population to almost 80% of the population. And you see that on daily basis, on the streets where people actually asking for money or support, we see all the services actually collapsing in terms of access to electricity or the cost of electricity or generation of power. You see it in your daily lives in so many ways.

But just to cut it, sort of shortly. In addition to the currency crisis, we have a balance of payment crisis, and we have a banking crisis where you can't even access your money or all your savings. So, so that's only in the line of economics and finance.

In parallel to that, and obviously very much connected to that is a political crisis, which has even preceded the collapse of the government, in fact. We've been having a political crisis for many years, leading to several protests from as early as 2008, and every three years we've had protests for people expressing their displeasure or even anger at the political elite. But this time we both coalesced: the political crisis with the economic and financial crisis.

MONA

As Sami mentioned, people cannot access their savings anymore in the banks. Or the savings they had, have lost their value. So, we have a major impact on various categories of people, and this has transformed completely, I would say, the social structure of the country and even its livelihoods, the daily livelihoods of people.

Compounded with that is the port blast of August 4, 2020, that hit a very crucial part of the capital city: neighborhoods, where a lot of economic activities used to happen and where a lot of small and medium enterprises used to flourish. [Those areas] were completely impacted by the blast where people lost homes and livelihoods and businesses and people had to leave.

So, this has also impact beyond the immediate neighborhoods that are adjacent to the Port. It had impact on the city as a whole, I would say even on the country, because the explosion of the Port is very much a criminal explosion because it is due to the carelessness of that ruling elite that has been accumulating extractive practices capturing grant, following up our public institutions of their role.

And in many ways, the explosion of the port happened because of this unaccountable political class, and even public administration, which is supposed to oversee the port operations and the lack of an independent judiciary system that would hold anyone accountable. And up till today, we can see in the investigation of the of the port explosion that there has been no actual indictments, even calling people to be questioned, is becoming as if it's a scandalous affair. Nobody is following up with these politicians when they get accused, or requested for investigation, right. They're being asked to show up for investigation.

SAMI

You know they're actually halting the work of the investigator.

MONA

And I would say there's an interesting parallel to be done with the banking sector and that ponzi scheme they put in place over years that was also very closely intimately associated to aid that was flowing into the country, that allowed that system also to have a longer lifespan. Where today you see that they also are escaping any accountability system where you would then start to imagine a beginning of a new era for Lebanon, so we're still very much in this phase where you know there's a dead corpse and people are beating the hell out of it and trying to snatch pieces out of it rather than trying to see how to salvage that corpse and to move to a stage of recovery that is more viable, just, and inclusive.

It's a situation that people also feel very much. People know that there's impunity, lack of justice. People are organizing to demand justice, to ask for justice, especially the victims of the of the port

blast have organized in several associations with different agendas trying to pressure the judiciary or justice to seek justice for their beloved ones that they lost in that blast. I mean, more than 200 people were killed and thousands were injured, and people lost their homes. So, the scale of that explosion is quite big and the repercussions of it are still felt. Today we're not even talking about people with disabilities. And people who had to repair homes under very dire economic circumstances where people had no money and they needed to borrow, or they needed to find ways to repair their homes. A lot of people got displaced for the nth time.

I'm thinking about migrant workers refugees living in those areas, which has a lot of laborers because we're in the areas close to the port, so a lot of relatively cheap labor lives in some of these neighborhoods. And of course, these are people who have no papers, so they cannot receive any compensation. They're invisible to the NGO sector. So, the most vulnerable people got even more impoverished. They had to suffer even additional layers of vulnerability and exclusion. There's no tracking, really, of where they are because they had to leave the area very quickly to get shelter simply, and people who have better means also were displaced and got into their secondary homes or family homes. Many of them are so traumatized that they refuse to come back to these areas today.

And I think it's a sort of a microcosm of the city as a whole, that sense of generalized impunity that rules our lives as Lebanese people or dwellers in Lebanon, that that sense of helplessness and despair, especially after uprisings in 2019. Where, you know we did all the textbook demands of what should be done when in terms of mobilization, the whole country was mobilized, it was decentralized, everybody was expressing their profound anger against that system, that that is oppressive, and that benefits a few, and where most of people cannot benefit from just access to basic services, and dignity. And even with everything, this was ignored, repressed, and shoved under the rug with the narratives that are totally unconvincing, I would say, from that political elite and promises of reform that... I mean, we know very well for having heard them for years, that they're not going to be executed.

So, what do you say? [Sami] you know that expression about "ticking the can", so maybe you can go back to that. Also, the financial policy and the financial reform plan there.

SAMI

Yeah, no, absolutely, I think, as Mona was saying, so many of these problems have been just avoided since as early as 1997, so 25 years almost. And the political establishment has refused to undertake any serious reforms, or any response for that matter. So, all this postponing taking the... postponing this solution... Result in shocks that happened back in 2008 with the financial crisis that helped Lebanon, in fact.

And then all these conferences, right, but Lebanon goes to [the Cedar conferences organized in] Paris [to provide aid] or with donors to seek financial support, and these are signals that the whole economy is not working. The economic model is not delivering, but the political elite have managed to buy time and get the support from the international community even. All the way to the collapse that we're witnessing.

So, indeed... and just to add one last thing, the port explosion I think sealed the fate of many people on many fronts. A lot of people, I think, packed their bags, and left. Someone estimated around 50,000 have left in the last year. Huge impact, right? for a country as small as Lebanon, and the

medium-term, long-term repercussion on, you know, human capital and the larger socio-economic fabric.

ELLEN

Actually, I want to pick up on that exactly that point because I was struck by how many people I knew or knew of who were leaving Lebanon.

And it led me to wondering how much, when we think about the change of the social fabric, how much is that also affecting the resources within the country?

Most of the people who I know who've left were relatively well off, were highly educated, were able to leave, but that doesn't mean they're the only segment of the population that's leaving, right?

So, one question is, to what extent is the segment of the population that's leaving reflective of the population at whole? Or is it that it's really changing the social fabric of Lebanon?

And what does that mean for the ability of the people to make demands? The ability to kind of push back and the possibilities moving forward.

SAMI

I think, I mean obviously we don't have all the data or the statistics to back it up, but I think from what we see and hear, a lot of the middle class, lot of skilled people have left. We're talking about doctors without nurses, teachers, engineers, right? These are the people who constitute the middle class. Now what's the relationship - I always think about it right - between the ability to leave, versus being stuck and trying to push for reform, right? They're not unrelated, so once people have the choice to exit, to what extent they become less attached to the homeland. And some maybe actually not only to push for reforms, or willing to accept the status quo, or even feel helplessness in the sense that they cannot even do anything. Even when they were in Lebanon. A sort of paradox. In the sense that on one hand it's great that people have the ticket out of the system that has collapsed, because otherwise their standard of living will drop significantly. But yet this has such serious ... political repercussions for reform or change because there's no more expression... In fact, people leave, and then they'll send their money back to their families through remittances, which in fact shield them from total collapse into poverty. So that is not necessarily in favor or could lead to political change. In fact, it could accommodate the status quo, or the political status quo in the country.

MONA

Well, yeah, I largely agree with that assessment. I would say also the 2019 uprisings and the way they were received and also thwarted in many ways or ignored and shoved under the rug... that was also a signal to many who participated in these risings that the sectarian political system is very, very strong that we're dealing with a machine that is very advanced and very developed. And the opposition groups are still far from being able to make a, I would say, significant and durable change.

Now, the opposition groups are getting more organized, they're maturing. There are some interesting coalitions appearing among them, but they're also, I mean, people who have to think

about their own livelihoods or livelihood of their families, and I think what happened with the blast and the lack of responsiveness of that political class. And that profound, I would say, ability to cling on to that defunct system made many realize that that it's not worth fighting for anymore. And if they had the choice to leave and go back – who has the social capital of the networks to actually leave?

I would say among this group of people, a large group made the choice to leave because also they had to make decisions vis-a-vis the schooling of their kids, or the health of a family member. Or securing income for their parents who suddenly lost all their savings. So, they needed to be a source of income for a larger family. So many people use the word exile when they tell you of their decision to leave, that they feel that they were forced into exile, which is, as far as we're concerned, I would say this is the first time we experienced this.

There was a lot of peculiarly uncanny references to the civil war where we had conversations with our parents about the departures that happened in the mid 1980s, where families were sort of forced when he pushed to leave the country, and the people were dealing with that same heartbreak, heartache about leaving a place they don't want to leave. But they're being forced to leave because they have to secure income either to themselves or their larger family.

The people who made the choice to stay, although they had the choice to leave... I don't know, I think there are not that many of these people around us and these are mainly people who were able to secure some income in, what is referred to currently, as fresh income as fresh dollars. Real money. Because the dollars that we had in the bank were transformed into a currency people referred to as lollars. Like fake dollars that you can't really use. And if you had your savings and Lebanese pound, it means almost that you've lost all your savings because of the devaluation.

Now there's a small sector of I would say people like in every crisis or disaster that benefits also from crisis and disaster. I'm thinking of course of the generator operators, the people who provide fuel at black market rates or gas at black market trade. We also had a loss of basic goods for a period of time, and there was a black market trade operating at exorbitant trades. So of course, there are people making money out of the fear and the helplessness of people, and the fact that some people have money and are ready to pay a high price to get their goods and not stand in queue. Or if they need the medicine for a sick individual, they will pay for it if they have the money to do that.

And there's of course the NGO sector, which is a big sector in Lebanon since a very long time, with the refugee crisis of the Syrians in 2011 that sector expanded, and I would say after the explosion, it had another life. The aid industry is pretty much alive. It's a lot of money, disbursed to UN agencies and other NGOs and is being redistributed to national NGOs.

You see that the expertise industry operating and providing jobs to some sectors of the population who are also very mobile, who move around and who are able to still live a good life in the city, it is interesting. You see some neighborhoods where it seems like these foreign workers prefer to live over others, so it's no longer Achrafieh [upper class area in Beirut], it's more Badaro [neighborhood and business hub in the center of Beirut]. Because Achrafieh is a very strong memory of the blast, and you see it as a material symbol of what happened. You see a lot of destruction and reconstruction, but the street life is not the same. So, people have relocated to other areas or other neighborhoods in the city, namely Badaro and maybe a few pockets here and there where they're able to reconnect with street life or a nightlife that they were used to, and they're able to... survive, I would say, the context we're living in, which is a very difficult daily context.

ELLEN

That's extremely interesting and I'm wondering how much is what we see inside Beirut, the same as in the other parts of the country? And how much is it unique?

Because some of these, I mean the aid industry has always seemed to me, has been particularly centered in Beirut. Not exclusively, but very largely centered there. And if we're thinking about the picture you're painting, how much is this as a Beirut picture, and how much is it even to sort of other larger cities? Tripoli and other places? How do we understand that?

MONA

Yeah, it's a great question. I'll maybe start a little bit, then Sami can say more about also the municipal governance of these areas.

Well, I would say it's very Beirut centered of course. Beirut is in that sense very much concentrating the flows of aid and of the diaspora. We should not forget that the Lebanese diaspora played a huge role, starting with the pandemic management phase and supporting the Lebanese and through charity work and humanitarian support, but also in the aftermath of the blast, there was a lot of outpouring of aid from the Lebanese diaspora.

So, we see a big concentration I would say, in Beirut and maybe its immediate peripheries. So Bourj Hammoud is an area which is technically outside of municipal Beirut, but it's an area that's also benefiting from flows of aid and support. The southern suburbs of Beirut are much more controlled by Hezbollah and in that sense, because of the sanctions, the aid cannot flow into these areas, and they're pretty much sealed with the services of the party that are still operating.

Eh outside, I would say of the agglomeration of Beirut, people are much more left to their own devices and hence they become dependent on sectarian groups. So, the clientelistic model would take over and I would say, would be much more dominant. So, your link to the "zaim" [patron] is really what provides you with access to public goods or private goods, depending on the zaim positioning, and the public administration and their networks.

And I would say, and NGOs have some reach in major cities like Tripoli, Sidon, Şūr, Zahlé... And that's interesting because that happened with the service provision for the Syrian refugees. This is where they started. Because Syrian refugees were mostly housed outside of Beirut, or actually not mostly, but they were quite distributed. And many of them choose to live close to the border areas. I'm thinking about Akkar ... and Halba in the north. Hermel...and the Bekaa in general, so the proximity to the border was a relationship they sought, and they wanted. And proximity also to agricultural areas where possibilities of work happened, or why they had social networks simply. To provide services for these Syrian refugees, NGOs also did open satellite of their offices. In the Bekaa specifically, exactly where you had a sort of a hub of all the INGOs located next to UNHCR and in Tripoli, you had several NGO's as well, Halba grew and urbanized exponentially thanks to the NGOs' investment and renting offices etc.

So, we didn't really follow what happened with that presence, that geographic presence, currently it would be interesting to see if they lost funding. Because of course now the predominant narrative in Lebanon, I just heard it again yesterday in the conversation, is that Lebanese now are poorer than Syrians, so we should not hate Syrians anymore. So, eh Syrians were being discriminated again since they moved here with the like... "they're coming to take over the jobs of Lebanese, and take over

the aid”, so I think it would be interesting to see if aid is still going towards supporting Syrian refugee programs.

SAMI

But in fact... I'll sort of, just to pick up on that; I think many Lebanese benefited from the presence of the Syrian refugees, right? And they [the Lebanese] don't want to acknowledge that. But they have, ehm, at least before the financial collapse, they were starting getting aid themselves.

MONA

As host communities.

SAMI

As host communities, and also, they [the Lebanese] have benefited from very cheap Syrian labor. I don't want to acknowledge that, but they've benefited a lot from that.

So, the people who actually suffered, and here are winners and losers right, in the Lebanese community, were the Lebanese skilled or Lebanese employers, [they] benefited from that labor. The people who paid the price are the Lebanese unskilled labor, because now they are competing with the Syrians. So, there was sort of dislocation here, of some sort. But still, those even unskilled were starting started getting aid, or they were even sort of renting whatever they had, right, and you know, whether you have a small, tiny plot of land, or the garage or what have you?

MONA

Or building on the roofs of their homes even. Or subdividing their own homes to provide [shelters for Syrians]... to have a source of income.

SAMI

Exactly. But then the financial collapse basically had a... obviously affected everyone right, and everyone almost collapsed – the Syrians the Lebanese, the Palestinian refugees you know, and obviously the middle class and even the upper class, some people had to exit [emigrate], really, to survive.

And then in these areas or outside Beirut, I think they in fact as Mona were saying, just much departureaggravated. Yeah, and then you add that with the local governments, I mean I would be happy to talk about this in duetime, but you know, in terms of what their role is, or it could be. But the situation is really... much worse in the region and in Beirut.

ELLEN

So, we have at least three different types of areas, right? We have the Hezbollah sort of controlled areas, which have one sense of dynamics and I'd like to hear a little bit more about how they operate and how they're providing services and then these areas, the outlying areas, and then Beirut.

I want to also ask, a thought that went through my mind as you were talking Mona, and you were talking about the zaim or the local leaders, and how their sectarian networks or sectarian based leadership, really is instrumental in terms of people getting things and the extent to which, the ability to gain services and jobs and other kinds of, daily living necessities, is really driven by that.

I think a lot of people wouldn't be listening to what you'd said earlier, and the kinds of pressures, the kinds of collapsed, the degrees of trauma really, that a lot of Lebanese face and think to themselves: what in the world keeps these leaders in power right? I mean that there's this this notion of "okay, you've had people on the streets way back in 2000s, but certainly in 2019 very much. And you've had only a worsening of situation. How is it that these leaders survive?", and I think that in some ways your answer to this, in terms of thinking about those local elites and their connections, and then the sectarian and confessional nature of the Lebanese system, is really key in understanding why it's being in some ways is so resilient.

I mean, it's not a resilience we might like, right, but it's definitely notable and I just wanted to ask if you would agree with that assessment or if you think it's off base in any way?

MONA

I would agree with you Ellen because I think, unfortunately, what we've seen in the uprisings of 2019 was very much, a very strong sense of allegiance to these sectarian leaders. Despite perhaps very strong resentment against the system, but there's something as a stronger power that makes you want to protect that sectarian allegiance because it provides you with actual very really services to you and to your families, and the sense of safety and security. And I say here safety and security, also thinking about a sense of meaning. Not only utilitarian returns. There are also very strong sense of belonging to that sectarian, model or that sectarian affiliation, provides that structure of meanings to these individuals and their extended networks.

So, when the uprisings were happening and when the slogan of "kellun yaani kellun" (everyone, means everyone) was adopted by the protesters, there was a big shift, a big division, in the ranks of the protesters by mostly the Shia groups who follow Hezbollah and Amal, and who singled out their leaders as being not part of the "everyone is everyone". And that drift was, I would say, a big turning point in the protest. Because at some point, we were in the streets with crowds, I mean, we didn't know really, who was who when we were in the streets. But at some point, when there were, there was a speech, by Hasan Nasrallah that categorized the protesters very clearly as having righteous demand but asking people to withdraw from the street because the biggest cause is being threatened, or I'm paraphrasing really - That sent a message to the people who are the constituents of Hezbollah and Amal that they need to withdraw from the street and then there were very systematic attacks, I mean, violent attacks and destruction of the tents and the places of the protesters in downtown Beirut, but also elsewhere. And there were even killings... and people got very heavily policed and depressed and sent to prison. So, the violence and the repression became very acute. And it was very clear that the counter revolution was taking over.

And I would say, when we saw that we could not but acknowledge that the force of sectarianism and the constituents of, I mean, the people in Lebanon who are still very dependent on sectarians, that are still there, and they still form a very important point of the population and society. If we like it or we dislike it. They're here and they... maybe we can analyze it and say they're hostage to the system, but people, you know, would anecdotally say they're brainwashed. Scholars would explain this in much more elaborate ways, but of course, the system is deeply embedded. It has a very long history. These people have been in power for three decades, if not more. They've taken so many institutions, public, private, CSO's – their networks are so diverse, I would say, in terms of service delivery that it's really hard if you're part of that, to want to have the opportunity to exit, where would you go? I mean the possibility of leaving the clientelistic network is, it's very costly. And if you are part of these communities, you know that it's very costly.

Lebanon is not the first system that has a clientelistic model, and we know how it operates. I'm saying this and thinking very much of the work of Lisa Wedeen on Syria, of other scholars on Africa where we see how, how deeply entrenched the system operates and how it captures people in it.

SAMI

So, I mean, as Mona said, you know... in 2019, there was a window. A window that opened, that says this is what Lebanon could look like without the sectarian or confessional system. It was a beautiful moment to see people across the whole country rising up. And then you know this, that moment, terrified the political establishment, because this is a moment where it had to reverse, stop and they systematically did that, and I think Corona or the COVID-19 was a big help here. I mean, because it shut down all the protests and what have you... And, they were saved by it.

What I find interesting is that here political leaders, as you said Ellen, in terms of how are they held accountable. I think something very interesting to happen last week, where the former Prime Minister Hariri, resigned from politics – you probably heard that. So, that tells you that he's actually being held accountable by the regional powers and regional powers moved them out of politics, not domestic powers. Not this constituency. You know what I mean, so these people, the leaders are actually accountable to regional actors rather than to their own constituents at home.

ELLEN

I want to actually think a little bit more, because you mentioned who's holding them accountable, but Hariri of course one could argue, OK, that's a national leader. I want to go back to this local level and think about: are there opportunities out there? Are there differences at the local level?

To what extent can we expect that the local leaders, whether in we're talking about municipal councils or we're talking about local leaders, sort of more generally, can actually step in and do anything?

MONA

At the municipal level as Sami and I, I mean, we always wanted to believe that municipal councils would be an interesting scale for political change, and that you know, because we have a law that

gives a lot of prerogatives to municipal council and we had regular local elections held, we thought that this could open up possibilities for organized groups opposition groups to enter municipal councils and use that as a platform to implement beginnings of policies for reform for change that will lead to more structural change perhaps, change from below rather than change from above or from the middle.

I'm afraid to say that we often, when we have discussions with Sami, we wrote this book about, sort of advocating for decentralization, and this was something we strongly believed in for long times and we gave lectures on, and we pushed for in our work. You know when we started seeing what's happening at the scale of municipalities in Lebanon in terms of governance, we started having another conversation where it's like: Oh my God these guys are re-centralizing the system, clientelism is operating through municipal councils, they're using the municipality for all the wrong reasons... and we got really held back and we're like we're going to write another book against decentralization, that says the decentralization should not happen in places, of I don't know, sectarian power sharing, or before we have an actually effective and accountable state and an effective judiciary system. Once we have this, we can decentralize, but let's not decentralize when the center is so corrupt and so hollowed out.

So, you know we had these conversations but we never pushed for that book to happen. Maybe it will happen at some point, but in a nutshell, the answer is that at the municipal level, we have very, very few good stories that happen. And if they happen, there are one good story and there are 10 bad stories next to them. There are some places that make use of opportunities better than others, or that attempt to do that, but interestingly, you see that the national level takes over. I mean, co-opts that local attempt, so even if the municipal council is trying to build some autonomy, they do depend on a patron, who's going to tell them "yes, but not to that extent, I'm here and I can't let you do that." We saw this in Sidon, we saw this in Šūr... Especially in the big municipalities where stakes are high, when it comes to real estate, to coastal development, where land values, you know, suppose an interesting rent that would come out of it. So, municipalities are operating very much to extract even more rent from land transactions, from building and zoning laws that they have oversight on.

So, there are some places that I would say are more interesting than others, especially when they choose to align to the private sector and NGOs, you see that there are interesting coalitions that happen around some projects. You see that a community center got built here, or a garden got built there, or a library here. But there are really very very small case studies, and I would say in the port explosion again, we're talking about Beirut, but the municipality of Beirut is glaringly absent from any response of even coordinating the work of NGO's on the ground or even providing data to people working on the ground, or just being an interlocutor of sorts with international organisations.

The void is huge when you see a city like Beirut, which is one of the richest municipalities because it has so much income and revenues of taxes and it received so many projects of aid over the years, it doesn't even have a disaster response plan, although it had the loan from the World Bank to develop that response plan, nobody knows where it is when you ask about it. So, it's bad news at the level of municipal governance, I would say.

We see much more interesting case studies at the level of civil society organizations, especially the more decentralized one, the ones operating outside of the city. So very interesting initiatives related to agricultural economies, self-sufficiency, cooperatives, even farmers cooperatives, taking place you know, but there are really very small vignettes that that exists, so we do have that. We have a very vibrant, I would say, civil society. Some of it is more progressive than others, others are quite

conformist, but some of it has, is experimenting with radical interventions that one can document and get inspired from. But I don't know, I've reached a stage where I used, I mean, I used to be very inspired by this, but at this stage for me it's like a drop in a bucket. Of what, what this implies, really.

SAMI

Indeed. Yeah, I think I agree with Mona's assessment, and I think if I can just add two points; Decentralisation has been killed on 2 levels. One is by the central government and institutional arrangement; and two by local governments themselves, I would say. On the 1st front, I would say – look we are such a small country level, right, 10,452 kilometers squared. Has population of 5,000,000 and we have more than a 1,000 municipalities. The best way to kill decentralization is to let so many towns set up so many local governments, so many municipalities... and one of the studies that we did many years ago, but out of the 1,000, 400 had no employees, not even one single employee, so... and another 400 [municipalities] had one [employee]. Clearly you actually fragment them by letting them mushroom all over the place you know, and you say: you want decentralization? we'll give it to you...

MONA

Overkill.

SAMI

...overkill, exactly.

And also, not to talk about the transfer system and you know, from the center to the local government and the problems with that. So, refusing to give them money on time and so forth. That has actually impacted local governments from the central government perspective.

Now, but then, hey - when you go down to local government and see: OK, what's going on, right? You see another side of the problem. And that's also problematic because it's like, assuming even if the government, central government, hasn't done anything bad, would they be able to deliver the services that we love. And one of the things as I already said, some of them [local governments] are too small, have very low tax base and in fact **to** survive on their own.

But then also, I think, what I find problematic is that a lot of that, there's no accountability system within it so you end up with a mayor who's able, especially if he has the support of political parties you know, he becomes almost a real estate agent. Where he can **give** licenses, permits, you know, for building and so forth, where they can extract rents, as Mona was talking about. And then if you talk to them about the development, in the more recent encounter I had with local governments in the last few months, when I asked a number of mayors what's their understanding of development, right, or what are their development plan. And I was frankly shocked by how they defined development. Some thought development was building a municipal building or even a conference hall...

MONA

Or a teleferique.

SAMI

...or a teleferique! Or a conference hall with a restaurant that overlooks the park! I'm like so, so it's terrifying. But then if you think about it, it's very much in the right, the same thinking of a real estate agent trying to build real estate and make money and extract resources rather than...

MONA

They'll give the contract to their friends...

SAMI

Exactly. And the contracts are often given to friends and families, and engineers that that are very close to them and what have you.)

And another instance, I was, when I was meeting number of mayors installed in a town or in an area I was like: would you consider having public transportation, that is, you know can serve the larger communities, and one of the reactions was: Oh no we can't. And I was like, why? Why can't you? And he simply goes, oh, because of the mafia. I was like what mafia exactly were talking about, [and it turned out to be] the transportation mafia. Then something else that arises here, is that they're passivity or, "we're so passive, we cannot do anything 'cause there's mafia here or the central government is not giving us money", but there's much more you can do even without money. You can be much more creative in thinking about coordinating, bringing the private sector, bringing in on the, the local communities, trying to find solutions, communicating with the central government, with the ministry. Very few do that, you know, and I remember before the crisis Mona and I also, I remember we went to Jezzine, We also spoke to the mayor there, it was an interesting case, for example, but they're very small [towns], or few cases that were, where we saw mayors thinking outside the box and defy the system.

Now after the crisis, whatever they do is as Mona said, was a drop in the bucket, right. The problem is way more than can be solved by these local governments, who already have very limited resources. And now their money is just, obviously dwindled because of the currency crisis. So, now what we're gonna see is a lot of bankrupt municipalities, bankrupt system. Already some are bankrupt morally and some others in the sense you know bankrupt in terms of any ideas of what to do in the first place.

But there are very few... but to stick to another bit of a positive note, some are working on solar system, for example. And in Sur, one of the municipalities, is trying because to deal with the electricity crisis. The other thing is seeing more solar panels, trying to provide that to their towns. That's an interesting case.

MONA

You made me think very much about, I mean, we don't really have public servants, nor at the local level scale or at the central state where you know people feel that they're in charge of serving a

larger community and protecting a public good. That sense is pretty much absent, I would say, from all public institutions, at any level we... that was...

There are some, I would say, exceptions that are still there, but we don't really find that much in municipalities. We found them in some institutions we're working with and this is where you know, as people in research centers, where we feel we could make a difference is by building the capacity of these people in public institutions who are still there to serve a public good and we feel that, you know, this is as far as we're concerned as people the Beirut Urban Lab, this is where our energy is going and where efforts are going: to identify these allies and to empower them to try to rebuild that sense of public good, and the public, and the public institution, especially in this period of time, where I think there's a strong consensus that we really need to rebuild the state that we are. We cannot just operate as CSO's and NGO's, and research centers in silos ... We do what we can do, but we really need to rebuild public institutions somewhere. It might seem very classic as a dimension at the same time, you know, we have this conversation where we're like: should we do that? Or we should focus more on city governance and more decentralized systems of governance?

We don't know for sure, so I think what's been happening, is more these experiments with wherever we find a public servant who's interested in public service, we become best friends with this person and we're like: let's try to build something together. So, we've been working with the public corporation for housing and the Urban Lab to try because there's a real possibility now with international donors to think about an affordable housing policy in relation to post blast urban recovery. We've been also working on preserving urban heritage with the UNESCO and the Director of the General of Antiquities, who's in charge of cultural heritage in Beirut to try to safeguard clusters but not only physical buildings, think about them more in relation to local economy housing and public space. So, there are some efforts on that front that are interesting, and I would say there are some opportunities of alliance between civil society organisations, public agents and international donors where you feel you may be able to institutionalise certain processes. So, as far as we're concerned, from an urban perspective, this is what we've been doing.

I think Sami is trying to do the same with local governments with less possibilities perhaps than what we've been finding. Also because the local governments you [Sami] have been working with haven't been quite responsive, it's been hard to find allies among them, I guess.

SAMI

Yeah, no no, it's it's very sad because in the north, for example, we're working with the Union of municipalities and there's so much infighting among those municipalities. The ones in more central Metn, which is much richer area, but we see no vision whatsoever. And in the, the South is much very much captured by the Amal movement, so you see very strong presence of party politics there. So, within that you see some variations, some experiments and solar panels and energy and what have you.

Yeah, it's just it hasn't been up to, or up to our expectations of what we want local governments to do and implement and take the lead in providing public services than what we've been, Mona and I striving for and hoping they will do so. But yeah, they've been absent.

ELLEN

It's interesting because in a sense, both of your answers, or both of your visions, focus around trying to improve the situation through the mechanism of the state, at least partly right, and by strengthening it.

And of course in Lebanon, that's both, perhaps even among the Middle East, one of the countries that need strengthening of the state the most. And so you can entirely understand that.

And where... perhaps you could even make an argument that trying to work with the actors outside of it only would continue to weaken it, right?

So it's a, it's a very hard one because I can entirely see what you mean in terms of the weakness of the municipalities and the extent to which that just makes it very difficult to find allies and defined vision.

But I wish you both the very best of luck because I know you're working extremely hard and on what are really, really important issues not just to the scholarly community and those of us who are listening and caring from the outside, but really to Lebanese and a lot of people who have suffered from decades, as you said of really poor governance and the need to have a stronger state that acts like a state.

So, all the very best in that.

MONA

Thank you very much Ellen for, for this. It's not easy to keep the stamina to do that I must say.

ELLEN

I'm not surprised.

But thank you both so so very much.

SAMI AND MONA

Thank you so much for having us!