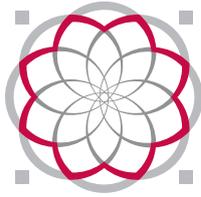


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Arab NGO Network for Development
شبكة المنظمات العربية غير الحكومية للتنمية



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From a System
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Social protection in Lebanon: From a System of Privileges to a System of Rights

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Introduction

Lebanon presents an interesting case when it comes to social policy. In fact, when the developmental state model was being implemented all over the world, Lebanon was adamant in its laissez-faire economy. The developmental state has brought about welfare regimes and what was called welfare states in advanced capitalist economies in Europe. In parallel, except for a few years, Lebanon has opted for minimal state intervention in public policy, and social protection in general. This has been exacerbated in the reconstruction period where the private sector and non-state actors dominated the realms of social services and protection, such as health and education. In recent years, and with social protection gaining momentum on the international level, the discussion on social protection and social security resurfaced in Lebanon. This has been accentuated as studies and reports on alarming poverty rates, inequality and unemployment in the country became recurrent. The present paper seeks to examine the social protection landscape in Lebanon from the lens of political economy, while taking into account debates on social protection on the international scene. The paper is divided into five sections. First it provides an overview of the meaning of social protection and the competing frameworks tackling the concept and their policy implications. Second, it visits, in a non-exhaustive manner, the social protection landscape in Lebanon. Third, the paper attempts to place social protection within the wider political economy context in the country through depicting who benefits and who is harmed from the existing social protection system. In the fourth section, the study lays out the existing debate on social protection policies on the international levels in order to draw lessons for Lebanon. Finally, the conclusion provides a way forward to achieve universal social protection in the national context.

I. What is Social Protection?

a. Definition of social protection

Social protection is a relatively new term used to describe social policies pertaining to the protection of the poor and vulnerable. Specifically, it emerged in the late 1990s as an improved and reborn version of the World Banks' safety nets discourse and policies (Devereux & Sabates-Wheeler, 2007) that were designed to attenuate the impact of economic crisis and structural adjustment policies and their subsequent shocks on the poor and vulnerable in developing countries. The safety-net approach was heavily critiqued "equally from the left (for its social residualism and political cynicism) as from the right (for displacing informal social security mechanisms and creating dependency on unsustainable handouts) until it curled up and died, only to be triumphantly reborn as 'social protection' around the turn of the millennium" (Devereux & Sabates-Wheeler, 2007). Nevertheless, the concept of social protection is still a contentious one in terms of its implementation and policies that derive from it. There is a worldwide consensus on the importance and centrality of social protection, especially for developing countries, but the divergences reside in the means to realize it. In fact, the term is almost exclusively used to describe social policies in developing or least developed countries. Although the term social protection is used worldwide, its substance is not universal as it approaches to be policies to complement those of social security provisions in developing countries to cover the excluded minority. In this regard, the European Union's social protection framework is centered around the protection of workers (Europedia), whereas social protection as featured in its international cooperation and development policies as a tool for inclusive development as well as reducing poverty and vulnerability in developing countries (European Commission, 2012). As Barrientos (2011) asserts, in developing countries "social protection has a strong focus on poverty reduction and on providing support to the poorest, whereas in developed countries, the emphasis of social protection is on income maintenance and on protecting living standards for all (but especially workers)" (Barrientos, 2011).

b. Competing frameworks

There are several competing discourses or frameworks regarding social protection that sometimes converge with regards to policy implications. Broadly, there are two compelling discourses on the issue: the instrumentalist approach and the human rights or rights-based approach. The first can be subdivided into two, productivists argue that being a member of the community (nation or formal work) and contributing to it as a pre-condition for benefiting from social protection (Alfers, Lund, & Moussié, 2017); the instrumentalists assert that extreme poverty and vulnerability are detrimental to growth and development, thus the need for social protection (Devereux & Sabates-Wheeler, 2007). Whereas the proponents of the human rights based approach defend the position that social protection is a right enshrined in international law and human rights convention and as an essential component of social justice. These world views have influenced social protection frameworks that have been dominating policies for the past decade. In this regard, the World Bank's approach is largely considered instrumentalist whereas the ILO one a rights-based one. Nevertheless, this does not necessarily imply a radical difference in proposed policies.

The World Bank places its interventions within a large heading of social protection and labor defined as “systems, policies, and programs help individuals and societies manage risk and volatility and protect them from poverty and destitution—through instruments that improve resilience, equity, and opportunity” (World Bank, 2011). The pillars of the Bank's strategy is based on a social risk management approach, that is protecting the poor against risks and shocks endangering their income and consumption patterns through unemployment insurance, health insurance public works programs and others. Furthermore, the Bank still maintains its social safety net programs through conditional cash transfers and food assistance to tackle extreme poverty and vulnerability coupled with promoting “human capital” and efficiency. Therefore it is mainly targeted interventions focusing on sustaining livelihoods and inserting them with the overall aim of growth and investment, without specifying the degree of public or private involvement.

The International Labour Organization (ILO) approaches social protection from a human rights perspective. Being a custodian on labour rights, the ILO underlines the centrality of social security systems in the overall labour governance framework. Thus, social security is a central element in labour rights and puts workers and their families in the core of its provisions. In this sense, social security as set out in the ILO Convention 102 for the year 1952 requires member states to provide medical care, sickness benefit, unemployment benefit, old-age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit and survivors' benefit for workers and their families (ILO, 1952). The ILO's approach later evolved to address social security as a component of the overarching social protection system, especially for developing countries where most of the population is excluded from formal workers' protection systems, thus recognizing the need to extend social security coverage. To this end, the Organization adapted a two-dimensional strategy to that end having horizontal and vertical dimensions. The first consists of establishing social protection floors, a minimum guarantee to access essential healthcare and minimum income security for all. The second aims to progressively ensure higher levels of protection as set out by the Convention 102 (ILO, 2012). It is worth mentioning that the social protection floor has been central to ILO's social security strategy in developing countries, but it is not a binding requirement for member states as its provision have only been specified in a Recommendation (number 202) and not a Convention. Based on the above, the World Bank sees social protection as an instrument to assist the poor and the most vulnerable, whereas the ILO views it as a human and a labour right placing social

security at the heart of social protection. Despite these differences, the two organizations managed to converge, especially after the worldwide adoption of the Sustainable Development Goals (SDG) which placed the establishment of social protection floors and systems under Goal 1 of eradicating poverty for all people everywhere. The target 1.3 consists of implementing “nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable” (United Nations). In this context, the ILO and the World Bank launched the Global Partnership for Universal Social Protection in 2016. This initiative set out to promote social protection around the world borrowed the ILO’s human rights approach, while emphasizing more on with the World Bank’s instrumentalism. Thus, the concept note outlining the initiative enumerates the benefits of social protection in reducing poverty and encouraging inclusion; contributing to economic growth; promoting human development through cash transfers; increasing productivity; protecting against risks and shocks; as well as stressing that it is a human rights for all, including workers (World Bank and ILO, 2016).

These approaches to social protection have been critiqued under the premise that they do not account for structural inequalities and abuses of power which cause and sustain vulnerability over generations (Devereux & Sabates-Wheeler, 2004). Thus, the concept of “transformative social protection” emerged where it seeks to extend social protection to the domain of empowerment and transformation of existing unjust structures. Thus, the proponents of this approach define social protection as “the set of all initiatives, both formal and informal, that provide: social assistance to extremely poor individuals and households; social services to groups who need special care or would otherwise be denied access to basic services; social insurance to protect people against the risks and consequences of livelihood shocks; and social equity to protect people against social risks such as discrimination or abuse” (Devereux & Sabates-Wheeler, 2004). This entails changing of the legal environment, strengthening unions and collective organizing, as well as formal and informal structures that provide social protection measures.

Throughout the remaining of this paper, social protection in Lebanon will be examined combining and viewed using these different approaches that have many similarities, especially when it comes to defining social protection. Thus, the Lebanese situation will be studied from the perspective that “social protection instruments encompass social insurance, social assistance and labour market policies. Social insurance refers to employment-related programmes financed by contributions from employers and employees based on earnings. Social assistance provides transfers to those who are unable to work or are excluded from gainful employment and who are deemed eligible, whether on the basis of income, vulnerability status or rights as citizens. Income generating interventions, such as public employment programmes, are also a form of social assistance. Labour-market policies comprise labour standards and basic rights at work (e.g. minimum-wage policies, unemployment insurance, anti-discrimination laws, training, social dialogue etc.). Social assistance is usually financed through general taxation and, in the case of low-income countries, from external resources such as aid” (Hujo & Gaia, 2011). This overarching definition takes into account the dominant frameworks of social protection, to which the paper will add, borrowing from the transformative approach, informal mechanisms that offer a certain degree of social protection in Lebanon, including employment, education, health, and other cash or non-cash transfers whether systemic or ad-hoc. Social protection mechanisms in Lebanon, in the wide sense, are very diverse and scattered and offering different benefits according to different social stratifications and status in the labour market. There are established social security systems for formal workers in the private and public sectors; public mechanisms for social protection for those who do not benefit from social security in the forms of safety net measures; also a significant private sector involvement is witnessed and

II. Social Protection Landscape in Lebanon

finally informal protective systems provided by families as well as civil society entities such as non-governmental organizations and political parties. The following sections will briefly outline this mosaic of measures.

a. Social security:

Social security as a protection system covers “the state-based system of entitlements linked to what are often called contingency ‘risks’” (Standing, 2007) and it is linked to having a formal employment where the worker is expected to contribute in order to receive these entitlements that are based on social insurance where many scholars view it “a model by which ‘contributions’ are matched by ‘entitlements’, and by which the more fortunate not only cover their risks in case of need but also express ‘social solidarity’ by contributing to the transfers to less fortunate neighbours” (Standing, 2007). In Lebanon, there are different social security systems, one for the private sector and a multitude of systems for public servants.

The private sector formal workers are covered by the National Social Security Fund (NSSF) established in 1963 funded by contributions equating 23.5 percent of the workers’ salary where the employer is mandated to pay 21.5 percent and the worker 2 percent of their salary. The fund is financially and administratively independent, however falls under the mandate of the Council of Minister and the Ministry of Labour. It has a tripartite administration consisting of representatives of the Government, employers and workers. The NSSF has four branches: insurance for sickness and maternity care which covers the worker and their family members in the cases of non-work related sickness, maternity, partial inability to work because of sickness or maternity leading to the interruption in income; non-work related death. The second branch relates to insurance against occupational accidents and sickness, it has not entered into force. Then, there is the family and education allowance where the male worker receives an allowance for each child and for his wife. Women workers only receive an allowance for their children in case the husband is not and cannot be registered in the NSSF. Finally, the fourth branch is related to the end-of-service indemnity which is a temporary branch and was supposed to be replaced by an old-age pension scheme. The end-of-service indemnity system is a lump-sum cash benefit received upon retirement.

The NSSF law has specified a considerable coverage for many categories of workers amongst them are Lebanese employees and workers of all type of contracts, including temporary, seasonal, internships, and others. It covers as well workers who work for several employers, mentioning specifically ship workers also construction workers. It also covers public sector workers who are not classified as public servants, i.e. those who fall under the labour law as well as foreign workers possessing a work permit and originating from countries where the reciprocity principle applies. In this regard, it is worth mentioning that the burden of declaration of workers to the NSSF lies on the employer. According to the NSSF statistics dating back to 2014, there are 620,656 people registered in the fund and 787,429 people benefiting from its coverage (2014، الصندوق الوطني للضمان الاجتماعي).

As for state employees, there are two separate institutions for civil servants and military and security personnel. For the former, there is the Cooperative of Civil Servants established in 1963 and offers more generous benefits to its members compared to the NSSF. In fact, in addition to the private sector coverage mentioned above, the Cooperative provides insurance against work-related accidents and sickness, as well as marriage, birth and education benefits in addition to a wide array of social services . More importantly, upon retirement, civil servants have the option between choosing to receive an end of service indemnity or a permanent pension paid in monthly

installments equal to 85 percent of their last salary. The Cooperative is funded through civil servants monthly contributions of 6 percent of their salaries, following a Pay as You Go (PAYG method), and if needed the Government is obliged to cover any shortfall of funds (Rached, 2012). Furthermore, the military have their own pension scheme which is even more generous than those of civil servants. For social security, the Army, internal security forces and general security forces have also their own cooperatives.

There are also social security schemes established by syndicates of liberal professions, such as lawyers, engineers, physicians, pharmacists and others. These vary in terms of benefits and generosity depending each syndicate. Nevertheless, all of them “provide health coverage and a regular pension payment following retirement. Their coverage is extended to the dependent family members. They have been successful in attaining the main objectives of the schemes: primarily providing a minimum permanent social protection to the members and their dependents” (Rached, 2012).

Finally, in addition to the social security systems described above, there is a high reliance on private insurance companies mainly for health coverage (Melki, 2000), where it is estimated that 8 percent of the Lebanese population is covered by private insurance (BLOMINVEST Bank, 2015).

b. Social safety nets

On the other hand, citizens who are not covered by any formal social security scheme can benefit from the support of the Ministry of Health which can reach up to 85 percent of the hospitalization cost for the treatment of certain serious conditions. Citizens who wish to receive this assistance have to demonstrate their inability to afford its potential costs. Furthermore, there are various social safety nets programs conducted by the Ministry of Social affairs (MOSA), the most prominent of which is the National Poverty Targeting Program (NPTP) partly funded by the World Bank. According to website of MOSA, the NPTP covers households falling under the extreme poverty line providing full health coverage, exemption from school registration fees, food vouchers, and conditional cash transfers to encourage children in poor households to attend school (وزارة الشؤون الاجتماعية). Furthermore, the Economic and Social Fund for Development established by the Council for Development and Reconstruction engages in job creation through microfinance schemes (Economic and Social Fund for Development).

c. Informal social protection:

As mentioned above, social protection is not limited by formal schemes or state institutions providing a certain level of securities to its citizens. In fact, there is an informal system of securities which can be defined as “institutional arrangements where people rely heavily upon community and family relationships to meet their security needs, to greatly varying degrees” (Wood & Gough, 2006). In Lebanon, these kinds of arrangements take many forms where its prominent actors are non-governmental organizations, sectarian parties and their affiliate organizations as well as the family. In fact, the prominence of non-governmental organizations in delivering health service has been remarkable in Lebanon: according to Cammett (2014), “By 2006, NGOs, sectarian parties, religious charities, community groups, and family-based institutions operated roughly eight hundred health clinics, of which about 450 were fully functional while the remainder operated more sporadically and lacked trained medical personnel or adequate facilities. Non-state providers account for about 90 percent of the delivery of services”. The importance of NGOs and non-state actors has undoubtedly

risen since the massive inflows of Syrian refugees for the past 7 years. According to the Lebanon Crisis Response Plan “Similarly to Lebanese, displaced Syrians access primary healthcare services through Ministry of Health network of 220 Primary Healthcare Centres (PHCCs), the 220 MoSA SDCs and through an estimated 700 health outlets/dispensaries, most of which are NGO clinics. In addition there are an unidentified number of informal practices/health rooms run by Syrian doctors in informal settlements. In the identified facilities, medical consultations can be received for a nominal fee. In an important number of these facilities, routine vaccination, acute and chronic medications as well as reproductive commodities are available free of charge” (Government of Lebanon and the United Nations, 2017).

Another important source of informal social protection is political parties in power and their sectarian affiliate organizations. They provide a wide array of protections to people who fall under their sectarian turf. These provisions include health care as many of providers are sectarian-affiliated organizations. In fact, “sectarian parties collectively operate or control important shares of the primary care infrastructure in Lebanon. Sectarian parties and religious charities also play an important, albeit even more indirect, role in secondary care. All sectarian organizations obtain preferential treatment for supporters in facilities run by coreligionist charities and public institutions” (Cammett, 2014). Furthermore, political parties in power provide informal social protection through securing casual and contractionary employment in state institutions, the most famous forms of which are daily workers in various institutions, notably in the national electricity company (عبدو، فخري، 2017، او قبيسي، 2017). In this regard, political parties possess an unofficial quota of informal and precarious employment in the different public institutions in order to allocate to their community members, generally the most vulnerable, in return of allegiance. This kind of politically motivated employment has also spread the private sector where sectarian leaders have also much influence (طرابلسي، 2016). These practices constitute a kind of an informal public works program and absorb a share of the unemployment, albeit for political purposes. Political parties also, on sporadic occasions, distribute food rations to the poorest in their communities, especially during religious occasions (such as the month of Ramadan) and during elections seasons.

Finally, the family constitutes one of the major protection mechanisms against sickness, unemployment or old-age related risks. These informal securities can come in the form of supporting a family member with income in times of unemployment or hardship, as well as helping with health costs, to taking care of children and the elderly. In this regard, strong familial ties or solidarity might generate from a weak social protection system, making the family unit the most assuring source of social safety. In fact, a study found that 74.8 percent of the Lebanese elderly secure most of their income from money transfers from their children (Tohme, Yount, Yassine, Shideed, & Sibai, 2010). Most importantly, informal insurance is further made possible through remittances sent by Lebanese emigrants to their parents or siblings that significantly contribute to cover education and health expenditures for many Lebanese households.

d. Explaining the Lebanese model: privilege and exclusion

The formal social security system has been introduced in the context of the welfare state established in advanced capitalist economies where that latter has two main functions: the provision of “social services to individuals or families in particular circumstances or contingencies: basically social security, health, social welfare, education and training, and housing” and “State regulation of private activities (of individuals and corporate bodies) which directly alter the immediate conditions of life of individuals and groups within the population” (Gough, 1979, pp. 5-4). The welfare state has been a

major feature in the post-World War Two era marked by a social contract whereby the state provides the condition for capital accumulation and in parallel assures a certain class compromise through collective bargaining, mass consumption and guaranteeing what can be called as welfare rights (Slavnic, 2009), such as education, health and other rights. Slavnic (2009) further asserts that by “virtue of these welfare rights, citizens’ well-being was less and less dependent on the direct market value of their labour, a process which was named ‘decommodification’”. In this sense, the welfare state has nine integral elements according to Wood and Gough (2006) that include and are not limited to: the capitalist mode of production is dominant; class relations are based on the division of labour where inequality is derived from the exploitation of wage labour; the dominant source of livelihoods is formal wage labour; dominance of class mobilization; a certain degree of decommodification of labour; public policy intended to achieve welfare-oriented goals

Social security regimes are an integral part of this welfare system where two approaches are dominant: Bismarckian and Beveridgean. The first is characterized by the fact that the insured persons are employees who, along employers, finance the system through contributions based on wages or salaries. On the other hand, the Beveridgean system includes the entire population and financed through taxation (CESifo, 2008). While Lebanon can hardly be identified as a welfare state based on the elements specified above, the Shehabist era in the 60s tried to instate some of its elements through introducing social security. In this regard, the formal state sponsored insurance system is very much inspired by the Bismarckian tradition where protection is granted to formal wage earners in both the private and public sectors. Having this in mind, the Lebanese case also has some elements of the Beveridgean framework, albeit very minimal, in the sense that there are a multitude of scheme that are financed through taxation such safety nets programs and the Ministry of Health coverage. However it cannot be qualified as Beveridgean since there is no universal coverage for all citizens.

Standing (2011) asserts that social security systems based on social insurance, minimum wage policy, and others are part of traditional labour market policies of the welfare state capitalism based on what he calls the industrial citizenship model. The latter links entitlements to formal employment assuming that “there would be high levels of employment, and also on the assumption that there would be limited job change over a person’s working life” (Lund & Srinivas, 1999). Of course, this was not the case for Lebanon. In fact, in 24,1970 percent of workers were considered independent and 22.1 percent were waged daily workers totaling to 46.1 percent of the labor force compared to 25.1 percent and 16.9 percent in 1997 (Gaspard, 2004, pp. 248-247). Currently, the introduction of the concept of informality, specifically with regards to labor relations, gives a clearer picture where informal employment is deemed to constitute the norm and formal labor is the exception (عبدو، فخري، 2017، وقبيسي).

This situation, and the absence of a significant alteration of the structure of the labour force, is the result of the structural resilience of the Lebanese economic model. In fact, the implementation of the social security system in Lebanon was never accompanied by active state interventions towards achieving clear welfare goals. The decoupling of social policies from economic policies has resulted in the quasi ineffectiveness of social security, one of the core elements of the social welfare state. This also has political roots, beyond the scope of this paper, as the introduction of the NSSF was a bold step by the Shehabist era and not a fruit of social contract between labor and capital and the state. Nevertheless, the main issue resides in the fact that the “industrial citizenship model” cannot be realized in the deep rooted laissez-faire economy that has been the main obstacle facing industrial development. In this regard, Gaspard (2004, p.31) has pertinently pointed out that “the

problem in Lebanon's laissez-faire system is [...] with the low investment rate out of profits or in relation to capital, which reflects the absence of the incentives or appropriate signals that the market is supposed to generate in the first place. For industrialists, there was no compelling reason to invest substantially more risk capital. Using profits more for consumption than investment was the preferred option”.

The uneasy coexistence of a social security system based on formal employment with a laissez-faire economic model characterized by minimal state intervention has generated salient dualities and binaries in the labour market: formal employment versus informal employment, privileged workers versus underprivileged workers; commodified labour versus relatively decommodified labour; protected citizens vs vulnerable citizens. All these binaries are intimately interrelated and determined by the contractual status at the labour market. On one hand, there are formal private sector workers registered at the NSSF and civil servants and security personnel enjoying varying degrees of social insurance and protection along with their families. These workers, to a certain degree, enjoy income and occupational security especially civil servants, along with health coverage and insurance and their nominal salaries are either stagnant or increase occasionally, but not reduced. This is rather the case of civil servants (we will address later in the paper) as formal private sector workers always face the threat of informality (2017، عبدو، فخري، و قبيسي)، however they face a lesser degree of labor commodification. On the other hand, it is estimated that informality has reached 54 percent of the labour force (Fakhri, 2016). Informal workers and their families in Lebanon do not benefit from any system of protection, lack job and income security and in many instances their salaries fluctuate. They represent the process of labor re-commodification, where workers are seen as merely an input and cost of production (2017، عبدو، فخري، و قبيسي). Therefore, the current situation can be best characterized by the division of the world of work between a minority covered by the social insurances system and a majority excluded from basic protections. Those excluded are agricultural workers, domestic workers, construction workers, migrant workers, casual workers in the public sector, and other workers falling in the spectrum of informality such as street vendors, own-account workers, etc. Estimates reveal that 44 percent of households do not have any kind of insurance and 45 percent benefit from formal state social security schemes (NSSF, civil servants cooperatives and armed forces) (BLOMINVEST Bank, 2015), without taking into account the masses of unprotected migrant workers.

The current social protection systems have remained resilient to change or adaptation to accommodate for the mutations of the labor force. While in advanced capitalist economies, social assistance programs were meant to serve the excluded minority who fall out the formal systems of protection, the picture is reversed in Lebanon and developing countries where the excluded are the majority. In this regard, the salience of non-wage employment such as own-account work, the spread of disguised employment where “the employment relationship is deliberately disguised by giving it the appearance of a relationship of a different legal nature” (Chen & Vanek, 2013) that is widely observed in the NGO sector further challenges the formal employment, let alone wage-employment, model upon which social security systems were based. Furthermore, the prevalence of small and micro-enterprises exceeding 90 percent of all enterprises in Lebanon (Hamdan K. , 2004) also challenges the current system as most of these enterprises find it difficult to register their employees and afford to pay the due contribution as specified by the law. Furthermore, as stated above, social security constitutes a core of the welfare state, and assumes that protection is derived from formal wage-employment and wealth is created by labor, and specifically labor exploitation. The structural transformations during the reconstruction era have fundamentally undermined these premises. The policies implemented after the 1990s have led to de-industrialization in favor of the

continued increase of the dominance of rentier activities. In fact, between 1997 and 2010 the growth rate of the manufacturing sector has been 1.5 percent whereas average GDP growth was 4 percent. Moreover, between 2004 and 2009, the industrial sector negatively contributed (8- percent) to job creation (Robalino & Sayed, 2012). In parallel, rents from monopolies exceeded 16 percent of GDP (Dessus & Ghaleb, 2006), real estate transactions nearly doubled between 2000 and 2009 constituting 16 percent of GDP (World Bank Group, 2012), not to mention income generated from interest rates. These trends indicate that a significant share of wealth is created outside the world of work and outside the production process (عبدو، فخري، و قبيسي، 2017), thus sidelining further the centrality of formal wage employment as a source of social protection. These developments and the situation created by the above-depicted processes cannot but lead us to examine the political economy of social protection in order to understand the function of such schemes within the overarching system.

III. The political economy of social protection in Lebanon

A political economy approach to social protection system in Lebanon seems relevant and crucial in order to understand what is at play with the current design of the many schemes that were listed in the beginning of this paper. The above-mentioned binaries and the exclusionary nature of social security are deep-rooted in the continuous efforts to maintain and consolidate the overarching economic and political system in Lebanon. Without such approach, an analysis of the social protection systems in Lebanon risks to limit itself to a descriptive narrative without depicting the power dynamics characterizing this landscape.

a. The myriad of mechanisms and fragmentation of solidarity

ant above all to secure the loyalty of workers to the state, i.e. to undermine class politics and struggles in nineteenth century Germany. It had two main objectives, the first one “to consolidate divisions among wage earners by legislating distinct programs for different class and status groups, each with its own conspicuously unique set of rights and privileges designed to accentuate the individual’s appropriate station in life”; and second to “tie the loyalties of the individual directly to the monarchy, or central state authority” (Esping-Andersen, 1990). These motivations emanating from class politics might provide an explanation of the introduction of National Social Security Fund in the 1960s Lebanon, at a time the labor movement reached the peak of its mobilization. The NSSF in this regard can be a tool to sooth class tensions, but in the same time to sow division within the workers and the working population. In this regard, with the significant portion of the labour force being either independent workers or daily workers the state did not pursue a Beveredgian system of universal coverage, but instead singled out specific categories as privileged workers.

These social security systems introduced a hierarchy of workers where civil servants lie on the top followed by formal wage employees and at the bottom rest all remaining workers. Esping-Andersen (1990) describes the Bismarckian system as “state-corporatist model” stressing that at the core of it is “the establishment of particularly privileged welfare provisions for the civil service. In part, this was a means of rewarding loyalty to the state and in part, a way of demarcating this group’s uniquely exalted social status”. The protection packages of civil servants in Lebanon compared to other is a clear embodiment of the Bismarckian logic: generous pension scheme (85 percent of

the last wage before retirement), insurance coverage after retirement, and guaranteed financial resources to sustain the system as the state is obliged to cover any deficit incurred. This is not the case for formal private sector employees benefiting from the NSSF where they do not have a pension scheme, the fund's sustainability depends on the contributions made by workers and employers and they enjoy lesser coverage than their public sector counterparts. Apart from these privileged workers, there are the masses of vulnerable workers in both private and public sectors who receive fragments of protection on an eligibility basis and not entitlements.

The social security infrastructure has laid the basis of fragmentation and division within the different categories of workers and between them. For instance, the NSSF is rather based on individual capitalization logic, especially concerning the end-of-service indemnity, and not on inter-generational solidarity. Most importantly, this infrastructure has contributed to segmenting the labor force into distinctly separated blocs undermining workers' solidarity. This has been witnessed during the latest waves of union mobilizations in the last decade where joint actions were rarely to be found. The mobilizations around the increase of the minimum wage in 2012 were initiated by formal private sector employees as informal workers are not covered by the minimum wage due to the fact that they either are undeclared or they are not covered by the labour law provisions. Furthermore, civil servants mobilized for salary scale adjustment while excluding contractual and daily workers in the public sector as fall under different contractual agreement (عبدو، فخري، و قبيسي، 2017). Abdo, Fakhry and Kobaissy (2017) assert that workers mobilizations along the line of contractual arrangements rather than workplace solidarity.

This intra-class division was most telling when it came to social protection when the Minister of Labor proposed to decrease employers' contribution in the NSSF in return of establishing universal health care funded by taxes on real estate profit, interest income and other-rent based activities (زيب، 2011a). This was part of the social wage scheme, the most important welfare proposal since the 60s and the most inclusive one as it covered the whole population. The proposal was not backed by the trade union movement where some unions only supported it on the discursive level without concrete actions. Other trade unions, such as the General Federation of Labour (the most representative union) expressed outright opposition it as it would compete with the NSSF and they saw it as a threat (زيب، 2011). On the other hand, the massive mobilizations of public servants during the past few years presented another momentum for placing the issue of universal health care coverage to the forefront of social actions. Repeated calls were made for public servants to propose a deal to the government where they would compromise on their salary scale adjustment in return of instating universal health care (جريدة الأخبار، ٢٠١٤). Nevertheless, these calls were ignored; this may be due to the fact that they receive generous benefits under their current scheme which would be a disincentive for them to make such a bargain. This brief account of labour mobilizations is a striking illustration of the positions of how positions of privilege with regards to social protection has undermined class solidarity and claims for universal social protection.

b. Clientelism as social protection

The hierarchy created by the formal social protection schemes, as described above, does not necessarily mean that those who are in the bottom are left out in the cold. In fact, the absence of formal social protection paves the way for an informal one. These are "informal security regimes" (defined above) where "deep social and political structures continue to define the relationship between rights and correlative duties as highly personalized, segmented, preferential, discretionary and clientelist, as patrons of various kinds intermediate between the needs of poor people (shelter, employment

etc.) and the imperfect institutions in the state and market domains. Patron-clientelism provides some security of welfare” (Wood & Gough, 2006). Indeed, in Lebanon the absence of state welfare and protection further strengthens and maintains clientelist relations and instate what some described as “sectarian welfare” (Salloukh, Barakat, Al-Habbal, Khattab, & Mikaelian, 2015). Clientelism, generated by sectarian welfare functions, acts as an informal redistributive and protective mechanism replacing state welfare and fiscal redistribution (Abdo, 2018). This manifests itself in health care provision, employment and education.

Clientelist welfare and protection systems are produced by non-state actors who in the same time form and benefit from the state apparatus. It is a situation where informal securities are made possible using formal institutions. As Cammett (2015) contends “the dual roles of sectarian power brokers as participants in the state and as non-state providers blur the boundaries of public and private, often purposively”. She adds that “sectarian organizations operate their own self-funded and administered welfare networks. At the same time, representatives from these same groups occupy political offices from the highest to the lowest level, and all of the major parties have access to public resources to fund aspects of their social programs and mediate access to public entitlements” (Cammett, 2015). For instance, according to Salloukh et. al (2015), the Ministry of Social Affairs (MOSA) allocates 70 percent of its budget to religious associations that provide basic services such as health care. These entities have even surpassed public institutions in providing health care. Many of these organizations are linked, or belong, to the networks of sectarian and political elites (Salloukh, Barakat, Al-Habbal, Khattab, & Mikaelian, 2015, pp. 47-46). In addition to that, the Ministry of Health covers hospitalization costs for those who do not have health coverage. Nevertheless, due to a strained budget and high demand for health care, the Ministry does not cover everyone who is in need. Instead, support is rather provided via the intermediary of the parties in power who direct it to their loyal supporters (Cammett, 2015). Obviously, this kind of support, whether through state or non-state actors, is neither universal nor done out of charity or altruism. These mechanisms are crucial to maintaining political and sectarian loyalties and expanding them where unprotected citizens need to demonstrate their allegiances to be able to access services. “Sectarian organizations [...] have a vested interest in sustaining the underdevelopment of public welfare functions in the realms of provision and, especially, in the regulation of the system as a whole” (Cammett, 2015).

The realm of employment is another important pathway to provide a degree of social protection while consolidating political and sectarian loyalties. This has been mainly observed in the public sector and to a lesser degree in the private sector. In the post-war period, and following the freeze in public sector employment, there has been a mushrooming in informal employment in state institutions in the form of hiring daily workers. They present a case of a highly vulnerable employment, where workers are paid by day without benefiting from social security or any other labour right such as days off or paid leaves. In some cases, the number of daily workers has surpassed those of civil servants in some public institutions (٢٠١٢، قبيسي). The employment of daily workers is done through unofficial quotas that political parties in power distribute amongst themselves in state institutions they control. In this way, they do not only secure loyalty from supporters or members of sectarian communities, but also curve labour mobilizations. This happened in many instances especially in Electricite du Liban where daily workers mobilized demanding the formalization of their employment, nevertheless the same political dynamics that hired them led to breaking their movement (عبدو، فخري، 2017، او قبيسي). This practice is also witnessed in private sector employment where political patrons provide concessions to the business elite in return of employing their loyal supporters guaranteeing in the same time that the absence of workplace mobilization, as in the case of spinneys (2012، زيب).

Thus, in these instances, whether in the private or public sectors, any labour mobilization would be considered a move against the patron that hired the workers in the first place which reduces the probability of collective action.

The services presented above are one of many that illustrate the system of informal protection in which the contribution or condition to benefit is loyalty feeding directly into the maintenance, production and reproduction of clientelism in Lebanon. Nevertheless, it is not a universal informal protection system. On the contrary, it is a selective system and the benefit packages are tailored according to the degree of allegiance as well as the nature of networks in which individuals are found. This factor determines whether an individual falling outside the purview of formal securities benefits from services of dispensaries and primary health care centers or from a form of employment and hospitalization coverage. This leads us to the claim that the social protections systems in Lebanon, both formal and informal, created a four-step hierarchy. The most privileged being public servants, followed by formal private sector employees, then those falling into the clientelist networks of sectarian and political parties, and in the bottom lies everyone else, i.e. those outside the said networks.

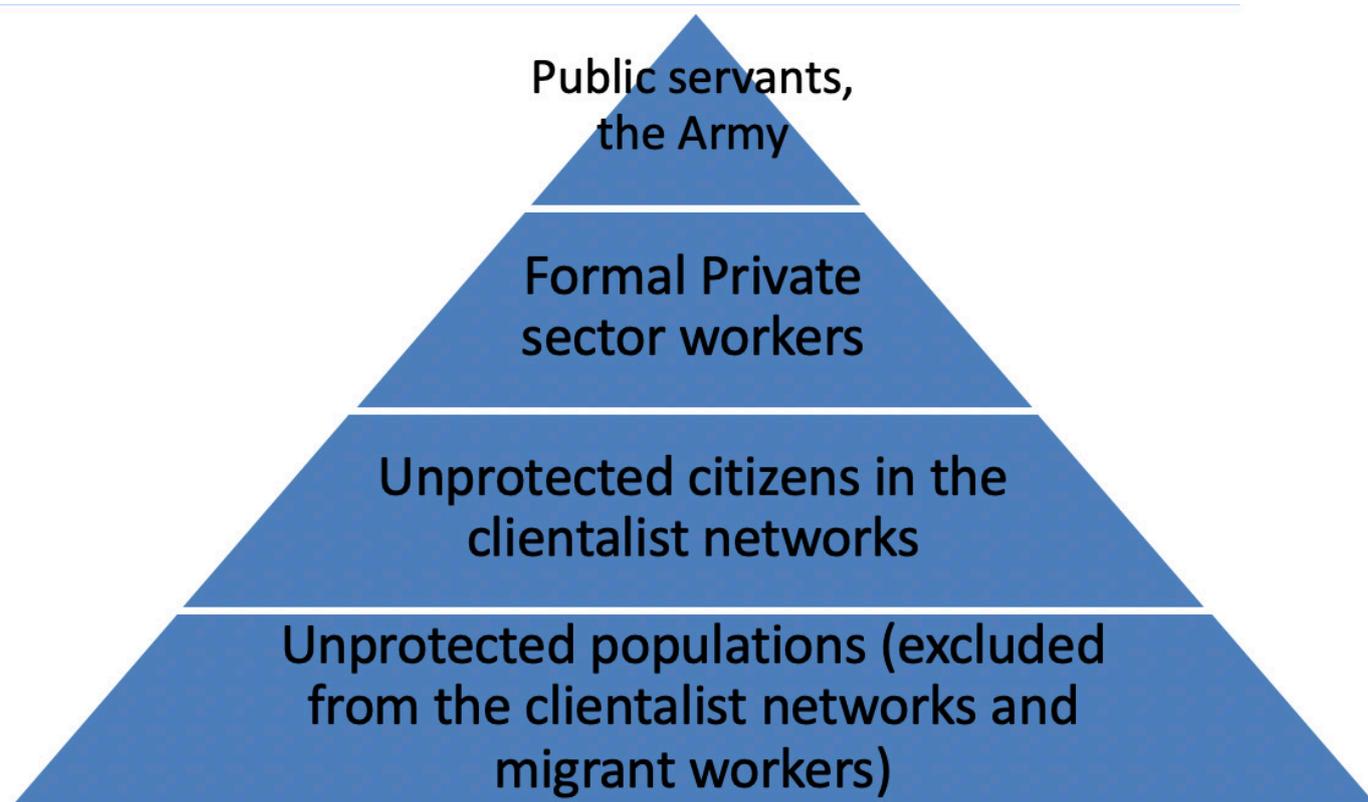


Figure 1 Hierarchy of social protection in Lebanon

c. Healthcare and the rentier economy

The landscape of the social protection systems in Lebanon does not only provide us with an understanding of its function within the clientelist system in the country, but also provides us insight on its contribution to the prevailing economic model. The Lebanese economic model has been often described by many as rent-based, an economy that creates its wealth outside the sphere of production. The post-war economic policies led to alarming increase of public debt which has been the principal source to finance the Lebanese rentier economic system. Furthermore, the NSSF has been one of the contributors in financing these debts through the end-of-service indemnity funds. In fact, since the eighties the end-of-service indemnity's funds have been invested in government treasury bonds. In 2010, these assets reached LBP 6400 billion, the most of which are in the forms of purchased bonds (Dandash, 2013). The sectors benefiting the most of such a system are real estate, banking and finance which in return benefited sectors producing non-tradable goods (Chaaban, 2009). The most prominent of these goods are health and education. A closer look at health expenditure and the health sector overall will help in understanding how is it contributing to the overall economic system.

In 2012, public expenditure on health represented 30.7 percent of total health expenditures, falling below households out-of-pocket expenditures on this service, reaching 37.6 percent (BLOMINVEST Bank, 2015). In fact, since 1975 a public health provision through public hospitals has been steadily decreasing. "Public hospital-bed capacity fell from 26 percent of the total share in 1974, before the war, to less than 10 percent by 1984. By the end of the war (1992–1991), the total number of beds in the public sector had fallen from 1,870 before the war to less than 700. By sharp contrast, the private sector retained its dynamic throughout the war, during which time more than 56 percent of its bed capacity was created" (Sen & Mehio-Sibai, 2004). In 2006, out of 160 hospitals only 5 are operated by the Government (Salloukh, Barakat, Al-Habbal, Khattab, & Mikaelian, 2015, p. 48). In parallel, 71 percent of the budget of the Ministry of Public Health (MOPH) is allocated for hospital-based care, and the majority of hospitals, which are faith-based, are engaged in contractual agreements with the Ministry (Sen & Mehio-Sibai, 2004), meaning that most of the MOPH budget is spent on private care providers, mainly hospitals linked to sectarian entities. Adding to that, these care providers tend to charge higher prices and prescribe a multitude of drugs for patients covered by the MOPH (Sen & Mehio-Sibai, 2004), thus inflating their profits. Furthermore, between 1991 and 2000, insurance premiums skyrocketed from USD 57 million to USD 355 million, with many of them linked to the families of the ruling oligarchy, who also possess exclusive import agencies for pharmaceutical drugs, as per the accounts of Fawaz Traboulsi (2016).

The private health sector is not only strengthened and financed by public expenditures, but also by remittances which is one of the main features of the post-war Lebanese economy. In fact, emigration has been one of the bedrocks of the Lebanese rentier economy as it is an important source of income generated from outside the sphere of production and contributes in maintaining large foreign currency reserves underpinning the fixed currency peg that has been a major pillar of the post-war economy. In 2015, remittances constituted 16 percent of GDP and an average of 20 percent between 2004 and 2015 (World Bank Data). These remittances contribute in sustaining household consumption, specifically in securing basic services that are not universally provided by the public sector, such as education, housing and health. It is estimated that remittances constitute 40 percent of Lebanese households' income (Hamdan S. , 2014). A significant share of these transfers goes to spending on health care and education (Tabar, 2010). Thus, with the absence of such basic social services underpinning social protection systems, Lebanese are forced to emigrate and transfer back remittances, which in turn contributes to the sustainability of the economic model.

IV. Extending social protection coverage for all: the need for universality

The social protection landscape in Lebanon, as depicted above, is a mosaic of scattered schemes ranging from formal social security, to syndicate created security, and safety nets as well as informal securities. Nevertheless, the fact remains that most of the population does not enjoy formal social protection and is pushed into clientelist relations and allegiance to secure a minimum living. Overall, social protection does not come as a right or basic entitlement in Lebanon; the pathway to it is the belonging to a group. The latter can take many forms it can be an occupational group: formal private sector employee, public servant, and a member of a syndicate in liberal professions. Also belonging to a clientelist network grants the individual the possibility of benefiting from some kind of protection. Finally, individuals who fall outside these categories are exposed and unprotected.

It is clear that social protection policies in Lebanon need to have a twofold objective: first, extending social protection coverage to include the unprotected; and second, to disentangle the right to protection from the pre-condition of belonging to clientelist network, i.e. move social protection away from the realm of sectarian elites. In this regard, much research has been done on extending social protection especially to include informal workers. In the following passages we will examine the forms in which expanding coverage take as well as the challenges derived from such endeavors based on international experience.

a. Critical perspective on extending social protection

As stated earlier, extending existing formal social security schemes to informal workers is challenging and encounters numerous obstacles. These relate to the structural mutations of the labour force and the heterogeneity of informal workers (Lund & Srinivas, 1999) where some are engaged in disguised employment, others do not have clear employers, and some are own-account workers, etc. Nevertheless, international practices in extending social protection coverage for the poor and informal workers have been increasing and rapidly spreading over the developing world. Countries in Latin America and Asia have been pioneering these efforts and receiving much praise from international organizations such as the ILO and the World Bank.

A considerable number of social protection policies have taken the form of targeted labour market schemes. For instance, India's National Rural Employment Guarantee Act (NREGA) enacted in 2005 has been one of the most hailed public works program. It consists of guaranteeing 100 days of employment per year for poor households. It is claimed that the program has reduced poverty by up to 32 percent and prevented 14 million people from falling into poverty (Rukmini, 2015). Nevertheless, public works programs seem not to be as revolutionary and without serious implications as they are portrayed to be. They have been criticized for not providing sustainable employment and are short term "make-work" schemes. Furthermore, the very low wages paid in such public works programs tend to lower the average wage in other occupations in low-income regions, not to mention observed delays in payment. Also they are very susceptible to political capture where local powerful leaders can tap on these programs to foster clientelism and allegiance in return for securing employment in these schemes (Standing, 2011). Standing adds "while public works will remain popular as part of job creation efforts, they are dubious on several counts. The jobs are often not allocated to the most insecure and poorest. The schemes are also paternalistic in that officials decide what is to be done and, usually, by whom and on what basis. It is also doubtful whether public works satisfy the rights-not-charity principle, because they are, at best, a way of giving discretionary entitlement to selected individuals or households or communities".

Another type of intervention, deemed holistic, is the Graduation approach that has been gaining popularity in several contexts, such as Pakistan popularity when it was introduced in Pakistan. It refers to the ability of the poor to exit, or graduate from social protection programs by passing a certain eligibility threshold (Brown, 2015). It involves several schemes such as access to microfinance or cash transfers, and other targeted interventions. Recipients exit the program when they reach a certain threshold based on an indicator, such as income level, or level of food security, and sometimes it is time-bound (Devereux & Sabates-Wheeler, 2015). Nevertheless such programs have been criticized on the basis that the “desire by some governments to “graduate” people from poor relief schemes is directly related to their perception of such schemes as “handouts” and a desire not to create “dependency.” Such views are embedded within a neoliberal vision of social policy, which aims to limit investment on social security by exiting people from the system, rather than focusing on maximising success” (Kidd, 2013). Furthermore, the instruments used in this approach, such as microfinance and conditional cash transfers, are problematic by themselves.

Microcredit has been promoted as well as an effective social protection tool to alleviate poverty and integrate the poor in the economy through providing them with the access to finance and creating their own enterprises. Nevertheless, various experiences that microfinance pushes the poor further into poverty traps, worsens their indebtedness as they resort to loan sharks to repay their microloan, and it undermines solidarity encouraging individual solutions for poverty and does not create sustainable enterprises but locks the poor in survivalist activities (Abdo & Kerbage, 2012). Another scheme that has been praised by organizations like the ILO and the World Bank, is conditional cash transfer (CCT), notably the Bolsa Familia implemented in Brazil. These are non-contributory programs that provide small payments to the extremely poor and vulnerable households, and generally to mothers in these households. They are conditional to certain behaviours, for instance the Bolsa Familia in Brazil, created in 2003, hands out small cash transfers to households, specifically mothers, on the condition that their children attend school regularly. Also, families should keep an up-to-date record of vaccination and health checks for children in order to ensure their adequate development. The programme also requires compliance with prenatal care for pregnant women and nutritional care components for individuals between 14 and 44 years old (ILO, 2015). It covered 13.3 million households by 2011 and had contributed in reducing poverty. However, CCTs have been very problematic, especially due to their conditional nature which goes against the logic that social protection should be a right and not subject to any precondition. Furthermore, the transferred income is usually very small and does little to contribute in macroeconomic stabilization, growth or transforming the lives of the poor. Adding to that, they “include the poor primarily by bringing them to market as buyers; their secure cash flow can also support the purchase of financial services (credit cards, loans and health and life insurance). In doing this, CCTs can reinforce the financialization of social reproduction and support the privatization of basic goods and services” (Saad-Filho, 2015). Saad-Filho further contends that these schemes undermine social cohesion through circumventing organizations concerned with social provision, such as trade unions, community associations, and NGOs. Finally, they reinforce women’s ascribed gender-roles as unpaid care providers.

Finally, there are two common problems with all the above mentioned programs, which are financing and targeting. In fact, the above-mentioned measures can be costly on many levels which in turn pushes the government to make some trade-offs, the most important of which is shifting resources away from social services (education and health) to cash transfers and others. These social protection schemes are targeted, meaning that the government through means-testing directly target individuals and households according to several eligibility criteria. This results in the idea that people should only receive support from the state if they lack the means to support themselves. In these schemes, people are expected to self-select themselves as they have to go to government

offices and stand in line to apply or receive support. Self-targeting or selection is based on the assumption that if an individual is not desperate to receive the support, they will not be ready to go through the cumbersome process. These methods have been criticized as involving considerable opportunity costs for traveling and waiting in line, as well as the administrative costs of identifying beneficiaries, and the technical capacities that usually developing countries lack (Hoddinott, 2007). More importantly, research has shown that “means testing and other schemes based on selectivity criteria fail to satisfy any principle of social justice worthy of the name, because they tend not to reach those most in need of income support” (Standing, 2007).

b. Contributory vs non-contributory schemes

The above-mentioned experiences and their challenges point to the fact that there is not one straight-jacket answer to the issue of extending social protection coverage. Nevertheless, it highlights the persistence of tensions between different approaches, notably whether social protection is something people earn and qualify to receive or an entitlement and a right where people should have a basic level of security. In this regard, the ILO’s social protection floor (SPF) can be a powerful framework to answer this concern. As mentioned earlier, the SPF emanates from a two-pronged framework: the vulnerable should have minimum levels of protection through a global and universal coverage (health, child benefit, unemployment support, etc.) deemed as horizontal coverage. Then, gradually, there will be a vertical move through more protective and advanced schemes such as the ones provided by social security as per convention ILO convention 102. The SPF was outlined in the ILO Recommendation 202 drawing criticism claiming that it was not elevated to binding convention such as social security which might undermine its effectiveness as an instrument and in terms of implementation as well (Olivier, Masabo, & Kalula, 2012). Moreover, despite the promotion of the SPF, the ILO continues to support CCT and targeting schemes notably in Brazil and Chile, which contradicts the universality claims put forward by the social protection floor. Nevertheless, one of the main questions that continue to be debated in discussions related to social protection is the issue of contributory versus non-contributory schemes.

Many argue that since social protection is a human rights, everyone should benefit regardless of whether they contribute to its financing or not (Alfers, Lund, & Moussié, 2017). This means that there should be a move away from the Bismarckian model towards aligning more with the Beveridgean one, particularly when it comes to healthcare. This seems convenient in responding to the rise of the informal economy as in many instances informal workers either do not have a clear employer or are own-account workers. Therefore, contributions are difficult to make since the traditional social security is based on mandatory contributions by both workers and employers. Nevertheless, eliminating contributory logic on the basis of human rights is seen problematic by many who argue that disregarding contribution leads to undermine or de-emphasize responsibility between employers and workers. In fact, welfare regimes were built on two lines of responsibility, the first being between state and citizens and the other between employers and workers. Thus, non-contribution, according to critics, will constitute a shifting of the burden from employers to the state and/or workers in the cases of voluntary contributory schemes (Alfers, Lund, & Moussié, 2017). Thus, in turn it results in neglecting the existence of an employment relationship. This is a crucial element for informal workers in particular as many of their struggles have revolved around recognition and pressuring employers and governments to recognize that they are engaged in employment relations. The struggle for recognition has been a core foundation for informal workers organizing all around the world (Chun, 2009). Furthermore, contributory schemes grant informal workers more agency as they claim their rights as workers and not as vulnerable poor. In this regard, Alfers et al (2017) call for aligning these two approaches: human rights and productivist, through the emphasis on informal workers’ organizing and collective action.

c. The need for fiscal reforms and economic transformation

One of the main challenges of extending social protection coverage in developing countries is securing adequate resources to finance social protection schemes, especially when it comes to universal ones. This is especially relevant for Lebanon in light of its soaring public debt and the financial challenges that are already faced by formal social security schemes, such as the NSSF. The increasing reliance on official development aid, whether in state-to-state relations or international organizations, such as the World Bank, stepping in to finance social programs is highly problematic. This is due to the unsustainability of such interventions as they are contingent on the availability and continuity of funds which is hardly the case. Thus, these programs are often interrupted leaving the vulnerable out in the cold, let alone that experience has shown that they face many problems and inconclusive results, especially in terms of impact. Furthermore, they undermine or undercut existing social contracts between the state and its citizens as the former becomes accountable to donors and their priorities that do not always coincide with national needs. In fact, one of the main tools to finance social policy remains taxation and fiscal measures.

Just and redistributive taxation is central to implementing social protection programs, as well as to state formation and its legitimacy. Enacting social policy and assuring social protection for all has to necessarily go through national resource mobilization; otherwise countries will remain trapped in ineffective programs and subject to the changing donors' priorities. Nevertheless, this is not an easy task for developing countries as "structural factors often limit the number of taxpayers and the tax base. These include: (1) a large share of (subsistence) agriculture in total output and employment; (2) a large informal sector and occupations; (3) many small establishments; (4) a small share of wages in total national income; and (5) a small share of total consumer spending made in large, modern establishments" (Di John, 2011). While not all constraints apply to Lebanon, the majority of them do. In this regard, Di John (2011) proposes several strategies in order to overcome these barriers. First, the government can provide incentives to informal firms to register as taxpayers, through facilitating their access to bank loans as well as government subsidies in the form of technical support, technological upgrading and securing markets, etc.

Second, implement land tax and urban property tax, as well as export-tax on agriculture. Di John (2011) asserts that while implementing export tax on agricultural product might be a dis-incentive to production, experience has shown otherwise where it served as an income tax levied on wealthy farmers, and encouraged farmers to pursue strategies of enhancing productivity. Furthermore, it provided an incentive for producers to organize and engage with the state. In the case of Lebanon, other venues for taxation can also be possible, such as high taxes on rent seeking economic activities, such as real estate profit, interest income, remittances and others as well as reforming income taxation to enhance its progressivity and reforming value-added taxes, and other measures (Abdo, 2018).

It should be mentioned that taxation should not be solely directed at resource mobilization for funding social protection, but also to drive economic transformation. This means that taxes ought to have a developmental objective through redistribution, but more importantly through penalizing some sectors and encouraging productivity growth and technological upgrade in other sectors. This is a crucial issue as social protection ought to be a part of a transformative economic development agenda as it would be self-defeating and unsustainable to raise funds for social protection while neglecting the root-causes for growing informality and vulnerability. In this sense taxation should be used in order to create a virtuous cycle where taxes have the double objectives of mobilizing revenues to fund social services and social protection systems overall, as well as trigger economic growth and

transformation which in turn will generate more government revenues and create sustainable and decent jobs, which will serve to enhance social protection measures.

V. Concluding Remarks

Wood and Gough (2006) argue that social policy in the developing world needs to have a different objective than the one that was historically implemented in advanced capitalist economies. This is due to the prevalence of informal systems of securities revolving around client-patron relations, unlike in developed countries where securities were shaped by class politics and mobilization.

Social policy in the latter had the objective of de-commodification. Thus, according to Wood and Gough (2006), in developing countries “the principal focus for social policy has to shift from de-commodification towards de-clientelization. If informal arrangements within the community are characterized by patron-clientelism, we must then look to de-clientelization as the basis of improving the quality of rights and correlative duties. This term is deliberately etymologically constructed as a conceptual alternative to de-commodification. It refers to the process of de-linking client dependents from their personalized, arbitrary and discretionary entrapment to persons with intimate power over them”.

The above-mentioned concept can guide us into reflecting on the Lebanese case. As seen throughout the paper, measures that follow the logic of targeting and conditionality, i.e. measures that are not universal, can easily slip into political capture. Therefore, such interventions feed again into the Lebanese clientelist system and strengthen it. An endeavor towards de-clientelization requires measures that are not susceptible to fall within the control and arbitration of the ruling elites, leading us to opt of universalist measures. These include universal social protection, investment in social infrastructure in education and health. In fact, as shown above any policy for social protection without altering the existing structures, specifically in education and health, will only be a mere transfer of public resources to the private sector, i.e. subsidizing profit. Thus, it is imperative to enhance and increase the number of public hospitals and public schools. Furthermore, such investments can create sustainable and decent employment. Of course, the feasibility of such endeavors needs fiscal reforms as proposed above.

However, it is important to take into account the existing political economy of social protection. Also, it is crucial to avoid shifting the burden from employers to the state. Wood and Gough (2006) argue that welfare regimes in the West have come about either through class struggle and social mobilization or through enlightened elites, i.e. a top down approach. Having dissected the centrality of clientelism in consolidating the Lebanese system, as well as the way in which social security regimes have crippled class-based mobilizations in the form of trade unions, we might conclude that neither approaches are likely to take place in Lebanon. Thus, a de-clientelisation process coupled with the concern of state and employers bearing the responsibility of social protection lead us to suggest that a meaningful breakthrough in Lebanon has to be from the bottom-up. This can take place through forging new types of solidarities that transcend contractual cleavages between workers. There is a need to reinvent social mobilizations and labour organizing through cooperatives, organizing on the neighborhood level, and of course informal workers organizing that can overcome racial, nationality-based, confessional, and regional divisions. These types of organizing, not only can push for just taxation and inclusive and universal social protection, but also can lead struggles of recognition in terms of employment relations and rights to entitlement from the state and employers alike.

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