



**Khaddit Beirut**

## **Breaking the Cycle of Dependency: Inclusive Businesses for Inclusive Recovery**

**Issue 4**

The usual hustle and bustle of the Gemayzeh and Mar Mikhael streets is nowhere to be found this year. In the last two decades, this area has become a safe haven for different people, Lebanese and non-Lebanese alike. Lauded for its hipster and artistic scene, its coffee shops, bars and restaurants hosting talks, and musical performances, it also welcomed protestors in 2019 for a respite from heat or tear gas. Underneath the thriving small businesses and the open space, deeply rooted inequalities and structural barriers still existed that have kept Beirut full of segregated neighborhoods.

Our current social contract is not based on equal rights and responsibilities but rather a system of subjugation. Our relationship to the state is not direct but mediated through sectarian political parties and religious courts that treat people differently based on sect, race, region, and nationality. What would it take to break the cycle of segregation across Beirut and help maintain, open, and re-open new businesses that would foster an inclusive social contract? At a minimum, we must not let inclusive policies slip from our priorities and actions. Even at a time when mere survival drives every ounce of our energy, we cannot aim to rebuild at any cost but rather rebuild for inclusive streets that can bring life and preserve dignity.

### **Dependency, Divisiveness, and Segregation**

The Lebanese sectarian political system has used identity politics as a tool to segregate people. This cannot continue and we should come together to fight the imposed model of failed state and the cycle of dependency. Responsible for-profit businesses have an important role to play starting with plans to ensure long-term financial sustainability beyond the duration of donor-funded projects and the risk of dependency on foreign aid for local recovery. Small- and Medium-sized Enterprises (SMEs) are key to



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the advancement of local economies, generating investment and employment for a large proportion of the population. After all, SMEs in Lebanon represent 90% of registered firms and employ 50% of declared employees and the majority of formal and informal workers. As for the areas devastated by the August 4 blast, SMEs are the most common type of businesses that include small convenient stores, grocery shops, vegetable and fruit stands, artisans such as shoe repairs, car repair, silversmiths, bakeries, sandwich stands, small boutiques, pubs, restaurants, art galleries, cultural spaces, and Bed and Breakfast apartments.

An inclusive social contract championed by SMEs would not only help businesses re-open but also do so in an inclusive manner particularly for women. Women who constitute less than 23% of the Lebanese labor force are doubly affected by the financial crisis and the effects of the Beirut explosion. Analysis taken from the KIP Index project, shows that women suffer systemic discrimination that challenges their recruitment, retention, and promotion. Hence, ensuring that SMEs contribute to an inclusive social contract that focuses on gender equality, rights and responsibilities is a corner stone for a recovery that leaves nobody behind and is not segregated into tiny corners of poverty and misery. Job and value creation are vehicles for inclusive growth and for creating civic momentum. Research shows that social enterprises, driven by social impact goals and the triple bottom line, - namely profit, social and environmental targets - contribute directly to inclusive growth.

To overcome segregation and exclusion, businesses in the devastated areas have a leading role to play in integrating vulnerable groups as customers and welcoming them by providing them access to essential goods and services and addressing their unmet needs. Businesses can make the choice of integrating and partnering with vulnerable groups as suppliers, distributors, or employees and in doing so, generate income and job opportunities.





## Breaking the Cycle

At Khaddit Beirut we decided to break down disciplinary and professional boundaries and work together. The explosion and its disastrous aftermath as well as decades-old corruption make it impossible for one perspective, discipline, or person to solve the problems. To break the cycle, we brought in different expertise and experiences. The way to re-open businesses is to work altogether- engineers, environmentalists, business owners, customers, students, and gender experts- to advocate for a vision of revival in the devastated areas that is inclusive for all. Now more than ever, it is our moral obligation to rebuild without repeating the mistakes of the past; we need to break the perpetual cycle of dependence and divisiveness, and build towards an inclusive future.

- **Gender-inclusion:** Applying a gender-lens to any intervention and investment will ensure that women's lives and careers are not destroyed as a result of inequalities exacerbated by the explosion. Businesses can lead and make concerted efforts to prioritize a gender lens in any response plan, especially that women are the most vulnerable to the double burden of the blast and COVID-19 losing jobs and carrying the brunt of increased pressure at home. Any intervention to support businesses must ensure the participation of women in design and execution of local inclusive models, ensure that workplaces provide safe, dignified employment for women, and strengthen the role of women across the supply chain. It is estimated that 20% to 25% of SME owners are women and that women make up less than 25% of the employed labor force.

- **Inclusive-design:** Businesses play a crucial role in the shape of our streets and cities and the relationship between its people. Inclusive-design welcomes and protects people, all people, especially those with different abilities including children, elderly and persons with disabilities. Accessible design and accessibility are a civic duty, which make sense for business owners as well as clients and customers. Any intervention to re-build must commit to this choice and make an initial investment to be accessible and inclusive in its design. Starting early in the process is cheaper and more scalable than trying to fix design as an afterthought. It is also economically viable and a future source of income for businesses willing to make an investment and commitment from now.





- **Sustainable- and climate responsive solutions:** Businesses have a responsibility towards the community and the environment. In order to counter the surmounting garbage crisis and contribute to community health, all interventions to support or donate money for local businesses should utilize climate responsive technology and environmentally friendly solutions. Climate responsive solutions have been proven elsewhere to be energy efficient, cost-effective and visually appealing. They can decrease noise pollution and contribute to sustainable streets. A social contract that places environmental justice at its core mission can help bring people back into the streets through responsible and climate-responsive business engagement.

- **Community-led:** All interventions and proposed solutions must be community-led. We have to create and foster representation of all people and be inclusive of the voices who own businesses and of those who reside near them. We can not only retrieve the safe haven the area has been but we should make it less noisy, avoid overcrowding, and work together to model a social contract based on rights and responsibilities. Community leaders and activists, not only business owners, can play a crucial role in framing problems, proposing solutions, co-implementing and monitoring new policies.

### **Alone but No Longer Lonely**

In the wake of the explosion, we bore witness to people pulling dead bodies from under the rubble. We buried our dignity and sense of agency with each funeral that took place in the days and weeks that followed. Our state institutions and political leadership who were culprits in the massacre have left us completely alone. Three months later, no explanation has been given yet and nobody has been held responsible.

Observing the subsequent negligence in handling the disaster relief efforts has pushed us to think beyond the immediate and short-term needs and address long-term issues and plans. This is why we decided to work on a roadmap for recovery of Beirut that is inclusive and community-led as a means to restore our sense of agency and help to free people from the chains of division and dependency. We refuse to be alone in this struggle. In Khaddit Beirut, we find solace that we are no longer lonely. We believe that together we can create a ripple effect for hope through action by supporting the SMEs and the community to break our cycle of dependence through inclusion.

