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Article (Accepted Version)

Harb, Mona, Kassem, Ali and Najdi, Watfa (2019) Entrepreneurial refugees and the city: brief encounters in Beirut. *Journal of Refugee Studies*, 32 (1). pp. 23-41. ISSN 0951-6328

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November 17, 2017

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This is to confirm that:

- The attached manuscript is suitably anonymized and includes no references to our own previous works.
- We have read the Instructions to Authors and that my manuscript complies to the journal's submission guidelines.
- The manuscript has been submitted solely to this journal and neither the whole manuscript nor any significant part of it is published, in press, or submitted elsewhere in any form, including as a working paper, online, in a journal or a book.

Best regards,

Mona Harb

A handwritten signature in black ink, appearing to read 'Mona Harb', written in a cursive style.

Entrepreneurial Refugees and the City: Brief Encounters in Beirut

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Abstract: Lebanon is hosting more than one million Syrian refugees. For a country of its size, and a population of around four million, this influx of Syrians into Lebanon has exposed many of its already established ailments. A prevailing perception is that Syrians are establishing businesses and competing with the Lebanese, leading to violent reactions on the part of host communities. In this paper, we see to debunk the reductionist framing of ‘the Syrian refugee’ as a burden, and showcase the economic contribution that some Syrian entrepreneurs have been making to urban neighborhoods. While entrepreneurs certainly represent a minority of the refugees in Lebanon, we argue that, rather than being competition, Syrian entrepreneurs are complementary to Lebanese businesses in urban areas, and that Syrian businesses are enriching spatial practices in the city. As such, we claim their experiences are significant to document as they can inform useful policy interventions that can render Syrian self-employment opportunity for local economic development in cities and towns.

Introduction

In 2015, journalist Hassan Hazuri wrote in the Lebanese daily *an-Nahar* an article titled ‘Hamra is no Longer Lebanese, Syrian Expansion Changed its Identity’, where the author laments: ‘Do you remember Hamra street?... Hamra has become ‘black’ (sic) today. Do you remember Beirut’s Champs-Élysées?’ The article goes to describe how Syrian beggars and ‘dark-skinned’ people have taken over the neighborhood, while other Syrians have established restaurants and hired Syrian workers, at the expense of the Lebanese who have deserted its streets, concluding that Hamra’s identity is ruined.

Hamra is a cosmopolitan mixed-use neighborhood in Beirut, lined up with modern architecture buildings built in the 1960s, organized according to a grid structure. It is well known for having harbored a rich intellectual life in its cafés prior to the civil war. Its name is said to correspond to the red color (*hamra* means red in Arabic) of the sand dunes that pre-existed its urbanization. Hazuri’s article irritated Lebanese shop owners in Hamra, who wrote a response two days later in the same daily titled: ‘Hamra Street is Lebanese and Did not Lose its Identity.’ In their article, the shop owners reminded readers that Lebanese own more than one thousand establishments in the neighborhood, and that the cultural and commercial life in the street still warrants it the title of ‘Beirut’s Champs Elysées,’ qualifying the presence of Syrian workers as ‘normal’. Hazuri’s piece also provoked angry responses from activists who accused him of hatred and racism. (Legal Agenda 2015).

This short vignette reveals the heightened tensions between Lebanese and Syrians since the beginning of the war in Syria in 2011, and the massive influx of Syrian refugees to Lebanon. To date, Lebanon is hosting more than one million Syrian refugees. For a country of its size, and a population of around four million, this influx of Syrians has had significant impacts on various fronts, especially given the problematic response of the Lebanese government. As Mourad shows (2017: 49), until late 2014, the Lebanese government maintained a ‘policy of inaction’ that enabled greater decentralization and securitization in governing the refugee presence at the municipal level, ‘while simultaneously denying municipalities central funds and rendering them even more dependent on international aid’. She argues that this

ambiguous policy serves the political role of framing potential infringements and incidents as ‘purely local, extralegal or even illegal... in an attempt to alleviate the state’s responsibility for them’ while providing the government with evidence to leverage greater international donor support (Mourad 2017: 55). As of October 2014, following the elections in Syria, the government response shifted and closed doors on Syrians, adopting a series of measures in early 2015 that sealed borders, restricted Syrians’ access to work, and altered their legal status in Lebanon. Critically, these measures did not distinguish between the hundreds of thousands of Syrian migrant workers who have been working in Lebanon for decades (Chalcraft 2008), and the Syrians fleeing the conflict. The government requested UNHCR to review its registration procedures and halt registration of Syrians as ‘refugees’. As such, ‘ambiguous legal categories [became] the subject of contention and ... politicization’ (Mourad 2017: 52): Syrian seasonal and migrant workers who were living in Lebanon for decades, and who had been joined by their families after the war, could no longer be considered ‘refugees’ and were thus labeled ‘displaced’. Subsequently, Syrians were no longer allowed to work in Lebanon: those registered as ‘displaced’ had to sign a pledge not to work. However, in mid-2016, this requirement was annulled. If they secure sponsorship and a work permit, Syrians’ legal status can be changed to ‘migrant workers’ (Errighi and Griesse 2016: 11), as long as they limit their work to low skill jobs in construction, agriculture and cleaning (decree 197 of December 2014)—which is often carried out in informal circumstances. For other sectors, bureaucratic and financial constraints are higher: work permits are more expensive and the employer needs to demonstrate why a Lebanese worker cannot do the job instead. The Lebanese government elaborated these regulations in response to dire indicators of a declining economy and labor market (WB 2013: 34-35), which raised alarm bells across the banking and private sectors. Indeed, the impact of the Syrians’ influx on the country has exposed many of its already established ailments: high unemployment rates, brittle financial status, and collapsing basic services. It thus comes as no real surprise that the Lebanese hospitality faulted, and the host country turned rather unresponsive.

The second phase of the Lebanese government policy response to the Syrian refugees crisis is still unfolding but it seems there is ‘a greater consensus on the need to address the refugee presence’ through reducing ‘the number of ‘displaced Syrians’, ‘strengthening security provision’ and ‘alleviating the burden of displaced Syrians’ on the Lebanese economy and labor force’ (Mourad 2017: 50). The meetings held in London in 2016 between international donors focused specifically on this last point.¹ Now that Lebanon, Jordan and Turkey were

¹ The London Conference for Supporting Syria and the Region, held in February 2016, seeks to create 1.1 million jobs for Syrian refugees and host communities by 2018. Countries hosting refugees, including Lebanon, ‘made bold commitments to open their labour markets and improve domestic regulatory environment’, while the international community committed to provide support for job creation programmes and access to concessional financing and external markets, and the private sector committed to also contribute by providing new investments (UNDP 2017: 12). The Lebanese government, following the London Conference, has proposed a Priority Development Investment Programme for Concessional Financing to be implemented over 2017 to 2021. The programme includes infrastructure investments in road and transportation, school rehabilitation, environmental projects, as well as water and electricity. It is envisioned that Syrian refugees can provide affordable labour to service these projects. The World Bank and the Islamic Development Bank are sought to provide lending schemes on such projects. In addition, the Lebanese Crisis Response Plan has conducted value chain analysis in several sectors, identifying agro-industrial niches that have competitiveness potential—namely olive oil and honey (UNDP 2017: 97). The Center for Mediterranean Integration (affiliated to the World Bank) has been advocating for municipalities to play a key role in such initiatives, which would encourage the development of small and medium businesses.

going to bear the costs of hosting Syrian refugees, the international community mobilized its stakeholders to pledge support to host countries, beyond humanitarian assistance. One of the key strategies believed to ameliorate the crisis situation is employment creation and integration in labor markets. Indeed, labor market integration is said to provide ‘the opportunity to refugees to improve their living conditions through their own efforts, in particular if accompanied by access to education, while also enabling the host countries to reap more of the potential economic benefits from this demographic boost’ (Errighi and Griesse 2016: 5; Legrain 2016). The ILO agrees that the integration of refugees in the labor market is both an immediate and a development need, making it simultaneously a humanitarian and reconstruction response: ‘Decent and stable jobs offer crisis-affected people not only income but also freedom, security, dignity, self-esteem, hope, and a stake in the reconciliation and reconstruction of their communities’ (2014: 43).

The literature on Syrians and the labor market in Lebanon is dominated by reports that confirm their dire and precarious socio-economic conditions, and their limited livelihood resources. Half of the working age refugees are economically active, but have high unemployment levels—especially women. About 92 percent of economically active Syrians are mainly engaged in low skill work, informally, without contracts, in agriculture or personal and domestic services and, on a smaller scale, in construction’ (ILO 2014: 14). A few reports mention that a number of ‘micro and small Syrian-owned business are opening’ in some areas (ILO 2014: 10), focusing mainly on those businesses opening in areas close to the Syrian-Lebanese border in the North and Akkar noting:

‘hundreds of businesses, including restaurants, retail shops, bakeries, mechanical repairs and others, have been established in the Bekaa and the North by Syrians since the establishment of the crisis... Syrian businesses open illegally without licensing and often at the same place of their residence, without paying for electricity, water or taxes. These businesses almost exclusively employ Syrians, including chefs, waiters, managers, and cleaners... Many Lebanese expressed additional concerns regarding competition at the self-employment level, especially in handicraft and semi-skilled jobs such as carpentry, welding, mechanics and repairmen, among whom Syrians normally have better skills and provide cheaper services than the Lebanese’ (ILO 2014: 38)

The prevailing perception is that these businesses are competition to the Lebanese (selling quality goods or services at lower market prices) leading to violent reactions on the part of host communities and municipalities. In recent events, several mayors closed down shops operated by Syrians in their localities, accusing them of taking jobs away from the Lebanese. These violent reactions are, however, not corroborated by any hard data. It is well known that low skilled jobs in agriculture, construction and cleaning do not attract Lebanese workers. In other words, Syrians are working in different labor segments than the Lebanese. Lebanese employers have been relying on migrant workers from Syria (and elsewhere) for decades now, especially in the agricultural sector. In these sections of the market, there is ‘a strong demand for Syrian laborers’ and it can confidently be said that unemployment and the lack of job opportunities for the Lebanese is not caused by the Syrian presence but by a ‘decreased investment from the Gulf states as a result of the Syrian conflict, a sluggish real estate market and a drop in GDP growth’ (Dubin 2017). Errighi and Griesse (2016: 20) also underscore that these new businesses seem not to be displacing local Lebanese businesses. In focus group interviews held by the ILO, some Lebanese workers stated that Lebanese employers and the government are the cause behind their unemployment--not Syrians: ‘competition for jobs... [is] a matter related... to the ‘ethics’ and ‘greediness’ of Lebanese employers [who]... think

about their profit only... it is the fault of the state which has driven us to this degrading level' (ILO 2014: 37-38). In fact, very little information is available on Syrians' entrepreneurial activities.

In this paper, we tell the story of Syrian entrepreneurs who came to Beirut after the war in Syria in 2011, and established small and medium businesses in its urban neighborhoods.² Our objective is to examine the profiles of self-employed Syrians in Beirut, as well as their self-employment experiences, in order to inform policy guidelines on enabling the establishment of small and medium businesses as a key tool for local economic development for both Syrians and host communities—building on widespread recommendations in this respect (ILO 2014; Errighi and Griesse 2016: 24). We focus on Syrians who have capital enabling them to set up and run their own businesses. While entrepreneurs certainly represent a minority of the refugees in Lebanon, we posit that their experiences are significant to document as they can inform useful policy interventions, which can impact a wider community of both refugees and hosts.

As dwellers of Hamra—a neighborhood that has become a major destination for Syrians in Lebanon to the extent of it being perceived as having lost its 'identity,' as discussed above, we have been observing several shops opening up over the past few years, established by Syrians. Our observations included practices of neighborliness and active street life, rather than hostility and competition. We became keen on debunking the reductionist framing of 'the Syrian refugee' as a burden, and researching the economic contribution that some Syrians have been making to urban neighborhoods. Who are the Syrians choosing self-employment? How did they experience entrepreneurship amidst a generally unwelcoming host population and stifling government legislation? How is the city changing with their businesses? To answer these questions, we approached and interviewed thirteen Syrian entrepreneurs who have started work in Beirut after 2011. This small sample evidently does not provide data one can generalize from. However, it serves the purpose of raising awareness about the positive role Syrian refugees' entrepreneurship can have in urban neighborhoods, as well as deriving policy interventions that can enable their entry to the labor market. Thus, we argue that, rather than being competition Syrian entrepreneurs are complementary to Lebanese businesses in urban areas where they are enriching spatial practices in the city. The paper begins with a discussion on methods, followed by a discussion of three categories of Syrian entrepreneurs we coined—the ones struggling, the ones coping and the ones who are comfortable. We then move to the analysis of these Syrian entrepreneurs' experiences in setting up and running their business in the city, focusing on how these businesses have impacted urban spaces, taking the Hamra neighborhood as a case study. The paper concludes with a brief set of recommendations on how, if properly regulated, Syrian self-employment may become an opportunity for local economic development in Lebanese cities and towns.

Methodology

We privilege in this paper an in-depth understanding of the experiences and stories of Syrian entrepreneurs, opting for qualitative semi-structured in-depth interviews as the main research method. As the issue is a near *terra-non-grata*, we searched for self-employed Syrians to construct our sample and used snowball sampling. We focused on Hamra given it was an accessible and hospitable neighborhood we knew well—but our fieldwork also led us to a

² The interviews conducted for this project were supported by a collaborative research grant from the Ford Foundation [redacted].

working class neighborhood in municipal Beirut (Tariq el-Jdideh, particularly to one of its wholesale streets by the name of Afif al-Tibi), and we indirectly collected anecdotal data about self-employed Syrians in a residential working class suburb in the south of the capital city (Aramoun). In Hamra, we had already observed a few shops that carried names referencing Syrian towns. We began our attempts at building our sample by walking along Hamra's streets, observing shops and identifying those we knew had opened after 2011. We also hanged out near several of said shops, lending an ear to a Syrian accent. This allowed us to establish a list of around thirty businesses suspected as owned by Syrians. To verify the list, we resorted to checking if those businesses had any social media presence. We thus searched the Facebook pages and groups of these businesses seeking to figure out the identity of the business owner. Often, these pages and groups had additional details of relevance such as nationality. In the case where such an owner was not clearly identifiable, or where there was evidence to suggest that the person was not the actual owner of the business, we sought to find the families most active on these pages. Their activity reflects their networks, which are hypothesized as having a vested interest in advertising for the business. We thus identified the last names of those who share, re-post, like or comment on the advertisement made by the page/group. In most cases, one family name recurred throughout the page. Through the personal profiles of these individuals, we managed to eliminate a number of shops as they turned out to belong to Lebanese nationals. After this filtering, we were left with a list of twenty shops, which we began looking into.

For most businesses we had identified as being owned by Syrians, we lacked a voucher. In a first round of fieldwork, we chose to experiment with a direct approach: walking into the shop, introducing the project, and asking if we can interview the manager/owner of the business. This did not go too well, as many Syrians expressed much concern and fear. In the rare case when they did accept, they stressed anonymity. Worthy of note was the fact that the female researcher on our team was much more successful in recruiting business owners and getting them to grant us an interview than the male researcher was. In this case, we clearly saw business owners willing to engage with the female researcher, who was perceived as less threatening. In the later stages of the research, when we had no choice but to directly approach business owners, we began asking the female researcher to go on her own and schedule an interview—this proved more fruitful.

While we had initially planned on a sample of thirty businesses, we were soon forced to humbleness; recruitment of participants was simply too challenging given our timeline. As the relationship between the Syrians and the state is an extremely complex one, and as many of these Syrians work outside the realm of legality, they were unwilling to provide information, which could put them under the spotlight or threaten their status. Despite our clarifications of academic research, anonymity and confidentiality, skepticism and doubt reigned. In this respect, we were often treated as a potential threat, potential agents of the state or, at best, potential business competition. Further, as the topic touches upon a personal journey, many refused to engage in such details with researchers they did not identify with. To mitigate this, we attempted to sell ourselves as researchers trying to counter the hegemonic discourse of Syrians as an economic burden. We privileged the claim that we wanted to prove their economic contribution and get their voices heard. This proved useful, but not as much as we had originally imagined.

Our interview questions were organized in three broad categories. We started with an inquiry about the shop owner's trajectory and networks: what did they used to do in Syria prior to coming to Lebanon? Why did they open this particular kind of shop in this particular

location? Did they receive support from business partners, family, and friends? We then moved on to a discussion on the shop's operations: How was work going? Who were the clients? How many employees worked in the shop? Who did the interior decoration of the place? Where did the merchandise come from? What were their future plans? Finally, we asked a few questions to assess their mobility, their relation to the neighborhood, as well as the city as a whole: Where did they live, and with whom? Did they own a car? How easily and how often did they navigate the city? Where did they spend their free time? What were their favorite leisure outlets?

At the end of our two months of fieldwork (March and April 2017), we had conducted twelve interviews with self-employed Syrians who had moved to Lebanon as a result of the Syrian war, eleven men and one woman. In one week alone, we received around ten rejections, some claiming they had no time and others bluntly stating they had no desire to participate in such research. Through the references we received from our interviewees, we attempted a number of interviews in other neighborhoods in the city: Tarik al-Jdideh and Ain El-Mreisseh, one of which came through. We stopped fieldwork in May 2017, but the research will resume in Fall 2018, in other neighborhoods of Beirut where we had identified an additional set of self-employed Syrians.

Three Categories of Syrian Entrepreneurs

Our twelve respondents varied in age: we interviewed both young and middle-aged entrepreneurs. Most came from Damascus. They lived outside of municipal Beirut, except for four. Five of them owned a car, while the others relied on public transportation or walking in their commutes. All were working in the same business sector they were in while in Syria, except for three who had shifted tracks. All enterprises had opened in the last three years (2014-2017). Enterprises were small- (eight employees and less) and medium-sized (ranging between eight and twenty), a couple had no employees, and only one was large (more than twenty employees). Most shops were rented, two were sub-contracted and one was owned. Three entrepreneurs mentioned they had debts. The shop's targeted clientele included both Lebanese and Syrians, some had an interior design that was elaborate, aiming for more sophisticated patrons, and others were low-key, projecting a service with modest price ranges. Few of the entrepreneurs we talked with said they had expansion plans, while most were trying to cope. When asked about their relations to neighbors, none highlighted tensions or conflicts, and most agreed that it was either unproblematic or friendly.

The Syrian entrepreneurs we talked to chose to be self-employed either because they needed to be 'free' and 'move whenever [they] needed to', or because they were already entrepreneurs and it was the only business option they could consider. Those who expressed the need to be 'free to move' had their immediate family in Syria, and travelled there frequently. The others had previous business experience, and capital, which they brought with them. Many had access to Lebanese people "who knew stuff", to bankers or to people at the General Security... who facilitated the establishment process of their enterprise—some of these people became partners in their business. The decision to establish a business in Beirut came after a few years of 'waiting to see what will happen'. Thus, it was also a decision to remain in Lebanon, and invest, at least in the near future.

Based on the interviews, we categorized Syrian small and medium entrepreneurs into three groups. We called the first 'struggling entrepreneurs', as it incorporates those who are fraught, emotionally and/or materially, to survive in Lebanon. The second category is that of

‘coping entrepreneurs’, referring to those who have managed to set themselves up, and adapt to life in Lebanon. The third category is that of ‘comfortable entrepreneurs’, indicating those who have a relatively prospering business and who are living rather affluently.

The struggling entrepreneurs include four out of our twelve interviewees: two bakers, a carpenter and a sweets shop owner. They are all hardly making enough money to cover their daily living expenses. They all alluded, or overtly stated, to being in debt, in addition to facing the risk of closure. They also expressed feelings of nostalgia, remorse, or melancholy, and a strong desire to return to Syria. They tended not to engage with the Lebanese, focusing mainly on their work. One of the interviewees stated that leisure is ‘at the mosque, it is God who is keeping me on my feet, keeping me going... When things get really bad, I take my wife and kids to night prayers in the mosque... This is where peace is’. With mostly small shops with no decoration and no employees, the targeted clientele of these interviewees was whomever they could reach.

The coping entrepreneurs comprise a restaurant owner, a café owner, a hairdresser in Hamra, and a clothing shop owner in Tariq al-Jdideh. All of these interviewees were doing well financially. None of them referred to debts or to a risk of closure. Rather, they all had employees, and were running their business with relative comfort. They demonstrated a tendency to employ Syrians but this had exceptions. Some of them mentioned having Lebanese nationals in their networks. Their leisure activity mostly revolved around family and friends, and they seemed to associate with the lower classes of Syrians in Lebanon. The restaurant owner, for example, is a regular client at a local café where Syrian workers—often those working in the construction sector in Ras Beirut, spend their evenings. Their shops were clean and modestly designed, with minor decoration. Their clientele varied greatly, with strong indicators of targeting Syrians.

The comfortable entrepreneurs include a cell phone shop owner, a (female) business venue manager, a chocolate bar owner—all in Hamra—and an owner of a furniture factory in Aramoun. All clearly financially comfortable, and all considering expansion, their defining features differed very little from those of successful Lebanese entrepreneurs. The furniture factory person owned a restaurant in the Gulf, while the cell-phone shop owner had acquired another smaller shop in the city, and the owner of the business venue was in the closing phase of managing a second business center in Badaro (a trendy neighborhood in municipal Beirut). They all clearly belonged to an educated, cosmopolitan, urban upper class, which wears brand clothes and mixes English with Arabic when speaking. Interestingly, all three expressed their frustration with the dominant image of the Syrian ‘refugee’ in Lebanon: that of a dirty, uneducated, rural, low-skilled, and simple worker. Yet, they affirmed, the Lebanese needed to know that this was reductionist, as many Syrians living in Lebanon were educated, able, and entrepreneurial people who can contribute to the country’s development. The only female in the group recalled how Aleppo’s dwellers greeted Armenians who came to the city in the 1920s, ‘offering them whole streets and neighborhoods in the old city to establish their crafts in’, and reflected as to why the scene was so drastically different in Lebanon. In her argument, she did not refer to ethics of values but rather referred to the economic gain the Lebanese had to make, as one of many pragmatic advantages to be claimed. She lamented how the Lebanese government was missing the opportunity of benefiting from Syrian capital investments, which was going instead to the Emirates, Egypt,

and Turkey.³ Comfortable entrepreneurs service a diverse clientele, and do not appreciate to be associated to Syrians, thinking it may label their business, and thus make them lose potential clients. With well-decorated venues and obvious expenditure on design, their shops market themselves as trendy and non-Syrian specific, from employees to name. On a more personal level, this category of entrepreneurs enjoys consumer-based leisure activities as well as sports, with friends, in addition to family visits. Their social circles incorporate Lebanese nationals. All of them have cars, and navigate the city with ease.

Our interviews do not provide us with sufficient information to extract findings regarding the contribution of Syrian entrepreneurs to the economic life of Hamra or Afif al-Tibi. We can hypothesize, cautiously, that it is likely that Syrian entrepreneurs are healthy competition as they are adding and/or complementing existing market offers in these commercial neighborhoods. Although they are perhaps selling quality goods or services at lower market prices, one can posit that, soon enough, these prices will be regulated and the market cycle will re-adjust.⁴ In Afif al-Tibi, we learned that Lebanese shop owners who used to acquire cheap and quality fabric from Damascus and who are now unable to do so, have shifted their import trajectory to Turkey, especially after the waving of visa regulations on Syrians and Lebanese. They thus seem to be working closely with Syrian entrepreneurs to purchase Turkish fabric. Some of them have even hired Syrians as shop managers. Also, several of these Syrians relocated to Tariq al-Jdideh with their families, renting apartments, enrolling their kids in the district's school, so they can undertake their business more efficiently.⁵ As such, the Syrian war seemed to have opened new global market opportunities to Lebanese wholesale traders in Tariq al-Jdideh, in partnership with Syrians, in addition to enhancing the local economy of the district. Additionally, we acquired unsubstantiated information about an informal Syrian entrepreneurship sector led by Syrians establishing large scale factories in Aramoun producing clothing and employing cheap Syrian labor.

In sum, it is difficult to make an informed comprehensive assessment of the overall impact of the actual contribution of Syrian entrepreneurs on the urban economy. More systematic data collection needs to take place to profile, in detail, the practices and constraints of this entrepreneurship, especially with regard to the relations and networks with Lebanese partners and stakeholders. Most interesting are the scale and type of this entrepreneurship, which is smaller than the large-scale capital investments that Syrian nationals have been historically making in Lebanon since the 1950s (e.g. in the restaurant sector with al-Boubess family), and qualitatively different from the low-skilled Syrian labor that has been an integral part of the Lebanese informal economy since the Syrian occupation (e.g. Syrians working in the construction sector). These Syrian small and medium entrepreneurs never came to Lebanon

³ This is corroborated by a recent UNDP report The UNDP notes that Lebanon's small market is a key constraint facing economic development, compounded by the war in Syria which has further limited its traditional overland routes, and by very high production costs (2017:36). For Syrians, these conditions are worsened by the difficulty of accessing residency papers. As such, the report notes that many high-skilled Syrians end up leaving Lebanon.

⁴ A restaurant owner in Hamra, who assessed Syrian entrepreneurs in a positive business lens, suggested this analysis to us in an interview. He shared with us his experience working with a Syrian carpenter he had commissioned for a minor job: 'I showed him this couch, and asked him to do the same. Look at his job [showing us the couch]: isn't it neat? Well, it cost me fifty percent less than this couch. I will continue working with this Syrian carpenter, but I will also continue having business with the Lebanese carpenter. The Syrian carpenter is crashing his prices now, but now he's getting more work, so next time I'll ask him for a job, he won't charge me as low. And the Lebanese carpenter, seeing I've commissioned someone else will give me a discount next time I need him! See, the market will just adjust itself. That's the way things work'.

⁵ This finding is based on the research work of [redacted].

prior, as they probably did not need to. They are in Lebanon because they have been forcefully displaced by the horrors of the current war.

In fact, the economic value of Syrian entrepreneurs should not be the sole indicator through which to assess their contribution. Scholars do show that enterprises established by refugees in host countries often have limited economic impact (Barret et al. 2003; Virdee 2006). If we prioritize instead values of social cohesion, economic sustainability, and social justice, small-scale businesses established by refugees will be assessed through their ability to provide refugees with income, develop skills and competencies, and provide local services that benefit host communities (CEEDR and NEF, 2002).

In addition, when refugees settle outside camps, amongst the host community, they often diversify and enhance the skills of the host population, provide economic inputs, and foster innovation and flexibility (Jacobsen, 2002). Moreover, literature suggests that refugees value work greatly, not only to help their families, but also to engage in and contribute positively to the community where they resettled (RCOA 2008). For example, studies exploring the experiences of Vietnamese refugees in Australia highlight their strong motivation and desire to work and become economically self-sufficient as soon as possible (Flanagan 2007).

Practices and Experiences of Syrian Entrepreneurs in the City

We noted four themes that cut across the three categories of Syrian entrepreneurs discussed above, and shed light on their practices and experiences. First, Syrian entrepreneurs all shared the urge of being orderly and following the law, amidst the difficulty of coping with unclear Lebanese regulations. Second, the role of social networks and the importance of access to information stood out as a distinguishing feature of their entrepreneurship practice. Third, they all have some experience of insecurity—though it varied significantly according to income. Fourth, their mobility patterns were rather constrained although the impact of their businesses on the city was meaningful, as evidenced in the Hamra neighborhood.

The strong urge to follow the law, to be orderly (*nizami*, *qanuni*) is very significant among all our interlocutors, although it is not as easy for everyone to have the comfort of legality. Being orderly translates into material objects, such as a license to operate the shop or a work permit. Further, it is often benchmarked against the experience of getting things done in Syria—which is perceived as more efficient and transparent. It seems relatively easier for the comfortable and coping entrepreneurs to be orderly. Some exhibited, proudly, their licenses on the wall, in a nice frame, above the cashier. When asked about the process through which they opened their business, they pointed at it as proof of their legality. Others told us of multiple visits they paid to the General Security, and of their efforts befriending the police officers that now know them by name, which facilitated their work permit application and renewal processes. ‘You can get anything you want in this country by paying extra money!’ half-joked one of our interlocutors who had just gotten his work permit. The sweets shop owner who subcontracts his shop from a Lebanese tenant spent days negotiating the deal, convincing him that this will be good business for him—he had to pay him a three-year advance to seal the agreement, although his contract is certainly illegal as it is not allowed for tenants to sublet rented assets.

The struggling entrepreneurs seek to be orderly but complain of the laws that are ‘so unclear’. The carpenter complained: ‘They make the laws on purpose like this, so we can’t follow them! I want to be *nizami*, but they won’t let me!’ Others agreed: ‘the most important thing is to be *nizami*, no one likes to be illegal, but it is so difficult here—there is no clear law, each

[government] agency makes its own law!’ Thus, the urge of being orderly is not easily applicable. The factory owner we spoke with stated how ‘it is important to follow the law’, but also shared how all factories like his are often illegally operating, and that ‘banking rules complicate everything’. Many entrepreneurs mentioned how ‘matters could be much better if there was less complicated regulations’.

Entrepreneurs concerned with following the law often have Syrian and/or Lebanese partners helping them in the process: lawyers, accountants, silent partners who provided some capital or, simply, influential friends. As such, two other key themes emerge from our interviews: social networks and access to information. Entrepreneurs with an extensive social network have better access to information, which facilitates their businesses. Those are the ones who are the most comfortable in their activity. The bakers managed to open their enterprise thanks to a loan they negotiated with family members living in the Gulf. The sweets shop owners opened their business after they saved enough money through work they undertook with Syrian partners in Oman and Dubai. Two of the entrepreneurs who have restaurants have Lebanese partners. Entrepreneurs with no networks struggle, as they have little to no access to resources or to valuable information—such as our carpenter. When he first came to Beirut, the carpenter had some capital which was quickly spent on rent, as he did not know then that renting a house in the capital city was much more expensive than in its peripheries. It took him months to relocate to Aramoun, where his wife got a job, and where he enrolled his kids in a local school. He now commutes to Beirut for his work. He seems to be quite isolated from resourceful networks that could help him access seed capital that would allow him to expand his business. Matters are very different for our female entrepreneur who settled in Beirut after consulting with her ‘many Lebanese and Syrian friends who live here’, and who still provide her, regularly, with information about the best sources of good and cheap building materials, the friendly banker she deals with, or the latest regulations concerning Syrians. This is not unlike the case of the restaurant owner who came to Beirut with his family. He is living in an apartment outside of Beirut (in Khalde), next to his uncle who found it for him. The uncle, who has been living and working in Lebanon for decades, introduced him to his network of Syrians and Lebanese friends through which the restaurant owner identified the Lebanese person who later became a silent business partner. The sweets shop owner opened his place after having accumulated capital from participating in trade exhibitions with his brother and cousins in Dubai. While his brother managed to get a work permit and stay there, he did not and decided to invest in renting a shop in Hamra, where he used to regularly come to sell his sweets by strolling its long avenue in and out. Thus, the Syrian entrepreneurs who are coping and comfortable rely heavily on family and social networks where kin and friends are partners, funders, supporters or laborers. They live with or next to family, work with family or people they knew from the same town or village in Syria, visit and spend their free time with friends and family who are now in Lebanon, and several of their customers are people they used to know in Syria.

On the operations side, the entrepreneurs employ a mix of Syrians and Lebanese. Some mentioned they want to employ more Lebanese but complained how ‘you, Lebanese, don’t want to work [such jobs]!’ The interior design of the shop is often conceived by the entrepreneurs themselves or by close Syrian friends they have. We already know from the literature that social networks are a powerful element of entrepreneurship (Wauters and Lambrecht 2006). While migrants are usually not powerful in terms of social networks with the host community, they have powerful social networks amongst themselves (OECD 2010). But here, Syrians we interviewed emphasized (perhaps too much) how their operations are associated to Lebanese sources—minimizing their links to other Syrians: they often said their

supplies all come from Lebanese providers. We sensed this emphasis may be exaggerated as they perhaps needed to tell us how their impact is complementing, rather than competing with, the Lebanese. Yet, our preliminary data shows that Syrians' social networks with the host community are stronger than initially assumed: several cited Lebanese associates who support them in their endeavors, either through business partnership or through direct employment. It is thus likely that several Lebanese are making additional income thanks to Syrian businesses.

A fourth theme that permeates all our interviews is a feeling of insecurity. It is stronger with the struggling entrepreneurs, and much more contained—almost inexistent, with the comfortable ones. Some of the struggling entrepreneurs conveyed feelings of misery at being in Lebanon, subjected to persecution and discrimination, and living without rights. One expressed anger at how 'Syrians are treated like disposable goods, they get hired and fired like that., [wondering] why Lebanese people do this to Syrians?' Along the same line, another businessman critiqued Beirutis for being consumerist and 'driven by money only'—dealing with Syrians exclusively as cheap labor. Another wondered if 'there's an old grudge' involved in such hatred—relating current stigmas and discrimination against Syrians to the history of Syrian occupation, which remains a violent and distressing episode to many Lebanese. This feeling of insecurity forced them to keep to themselves and stay within the confines of their work and home. None owned a car, as they do not want to run the risk of 'being stopped at checkpoints', and one said he usually waits for sunset to return home 'as it is less risky to be stopped at night'. Overall, our interlocutors avoided the questions relating to their relationships to their neighbors, and hid behind general answers such as 'all is good, all is fine... we keep to ourselves'. One related it clearly to politics: 'as long as you avoid speaking politics, and you behave respectfully, you'll be fine'. There was a general sense of wanting to 'avoid problems'. While introducing ourselves, we sensed this strong sense of hesitation where we often had to spell out clearly that we were not going to be discussing politics. Most of the struggling entrepreneurs had sour feelings about their future—a sense of being stuck, and swimming against the tide. They all expressed the desire to go back to Syria, but had little hope at that. They complained they were hardly making ends meet, and spending all their income in Lebanon. One was considering leaving to Canada, although he preferred staying 'for the kids to remain in the same religious environment'.

One of the main consequences of this feeling of insecurity is the constrained mobility the struggling Syrian entrepreneurs we spoke to have in Beirut. Indeed, they are rather sedentary and spatially anchored in their workspace and home, with occasional travel outside of their daily territories, mostly to family or friends from Syria, who have been living in Lebanon prior to the war, or who came after 2011. Many noted their preference to outings in mountain settings (*jabal*), and a few mentioned how it reminded them of Syrian homes and landscapes. One mentioned how 'people outside Beirut are nicer, not like here'. Some cited the Beirut seaside corniche and Sanayeh public park as a destination, and one mentioned the mosque as the only outlet. Very few owned a car, and most used shared taxis or vans to commute—this was not only a financial choice, but also a security choice where they were reducing the risk of being screened by a security checkpoint, and of incurring a random police arrest. The mobility of coping and comfortable entrepreneurs is quite different, and reveals a wider geography of the city and the country. These entrepreneurs own a car, and navigate the city's streets more comfortably: they spend evenings in restaurants and cafes, and weekends 'in various places—each time we go somewhere'. One of the younger entrepreneurs mentioned the gym, and the female entrepreneur recalled long motorbike rides she undertakes with

friends in the mountains. The male entrepreneurs who are family men were more sedentary, and said they spend their free time at work—which we noticed had become a leisure destination as their male friends come and spend their free time in shops, sometimes with family. When asked about the leisure times of their wives, many said they stayed at home, or did occasional house visits to family members who live nearby—explaining: ‘this is our habit, in Syria, our women do not go out’.

Remarkably, the businesses established by Syrian entrepreneurs have a significant impact on the city. Hamra stands out as a location that attracts many Syrians, as they perceive as a ‘more open place’, ‘a destination for many Syrians who love it’, and ‘a safer business bet’. Some described how they strolled Hamra for long hours and days before identifying the ideal location for their shop. One also expressed doubts about the ability to open a shop anywhere else, unless he had a ‘local’ partner—alluding to how territoriality operates in Beirut, and the role of political parties in controlling who enters and operates in ‘their turf’. Again, fears of being perceived as pro- or against the Syrian regime, and the associated consequences of this perception (depending if the shop was located in a territory ruled by a political party who was pro- or against), seemed to raise too many risks that entrepreneurs preferred not have to deal with. Hamra provided a space that was perceived as cosmopolitan and neutral, and, thus, welcoming for new businesses, irrespective of the owner’s background, as long as it was kept invisible. Accordingly, Hamra is prospering with these new Syrian businesses inhabiting shops that used to be empty, enriching street life.

Closing Remarks

This brief research on Syrian small and medium businesses in Lebanon incompletely illustrates the experiences of Syrian entrepreneurship in Lebanon. We were limited by access to data, as there are strong experiences of fear and insecurity among Syrians in Lebanon. We believe, however, our research has the merit of debunking a discriminatory and reductionist discourse on Syrian refugees in Lebanon as being an economic burden and/or a social threat. By telling partial stories of twelve Syrian entrepreneurs who have established businesses in Lebanon in the past few years, we are able to better understand their diverse experiences: Syrian entrepreneurs are not a homogeneous lot—some are struggling, others are coping, and still others are comfortably performing. Our work suggests that their entrepreneurship is likely a positive contribution to economic and urban life in the city, which gets enriched and diversified. While we do not have enough data to support this claim, this is a first hypothesis that invites further research on this issue. In addition, our research shows that Syrian entrepreneurs in Beirut have a varying business experience in relation to access to networks and information, which in turn determines their concern for being orderly, and their feelings of insecurity. Irrespective of their struggling, coping or comfortable situation, entrepreneurs have a rather constrained mobility in the city but have a high impact on its spatial practices—especially when many of them choose to establish businesses in the same neighborhood, like in Hamra where street life and urban experiences have been altered by their presence—in ways that some perceive as threatening, others as stimulating.

These preliminary findings ought to be further explored outside of Hamra, and municipal Beirut, as to identify other categories of Syrian entrepreneurship, and understand more carefully their practices and experiences, and more importantly the barriers they are encountering in maintaining, and perhaps expanding, their businesses, and the mechanisms they are resorting to, to navigate such constraints. Our work also shows that Syrian entrepreneurs are often closely associated to Lebanese, who partner with them, advise them,

or work for them. Thus, there are more interconnectedness than one would have supposed, which needs to be further deciphered and investigated.

With such knowledge, one may start identifying strategic interventions that can directly address these barriers and recommend policy interventions to be undertaken by local governments and aid agencies that can respond effectively to the actual needs of Syrians and host communities in Lebanon.⁶ Such interventions have been identified by UNDP in their report *Jobs Make a Difference* (2017: 50-54). The report recommends supporting Syrian businesses through expanded access to information, direct procurement of services to humanitarian agencies, access to existing industrial infrastructure, and allowing Syrians to provide services for other Syrians (2017: 13-15). It also underscores that Syrian refugees include a large number of skilled professionals and proven businesspeople who ‘could create economic opportunities for domestic economies if effectively enabled’, as evidenced in hundreds of workshops and small factories operating in ‘industrial cities’ in El-Obour, 6th October, and New Damietta in Greater Cairo (UNDP 2017: 24; 55). Building on the successful examples of Turkey, Iraq, Egypt and Jordan, the report highlights the need to establish job support centers for Syrian refugees, where information on domestic regulations, labour market opportunities, housing and social services, and more, is provided. These centers can also benefit from the input and support of NGOs and INGOs. Access to information may also be facilitated through phone messaging, as was done in Jordan. In Egypt, these information centers were manned by Syrian refugees, in cooperation with Syrian business people already established in the country. As such, enabling Syrian refugee networks, locally and transnationally, especially through digital and web-based means of communications, is also a worthy avenue to explore. Another mechanism of support is through skill development programs such as vocational training in cooperation with local industrials—quite popular in Egypt and Turkey, as well as partially in Lebanon. In the locality of Qaraoun in the Bekaa, Syrian women refugees were trained on sewing and cooking, and received sewing machines and access to work in a community kitchen, providing them with good source of income (CMI 2017). Additional enabling mechanisms include improving the investment climate for Syrian entrepreneurs, by simplifying administrative and legal procedures and institutional frameworks, as currently undertaken in Jordan where ‘a Programme Management Unit is currently developing plans to enhance investment coordination and... ease the conditions for Syrian investors to either invest or set up their own businesses’, and in Turkey where the government has been openly supportive of Syrian businesses⁷. Furthermore, economic development zones are being suggested as potentially beneficial labor market enablers—although their economic impacts have been debated (see Munro 2017)—they seem to be operating well in Turkey and Egypt, with mixed results in Jordan.

⁶ This relates rather well to the literature on how state policies can shape the economic livelihoods of migrants. Realizing that migrants often lack a number of the essential elements of successful entrepreneurship, Maria Kontos (2003) explains how the state needs to intervene and make-up for that lack. For example, in Germany, Kontos’s case study, migrants are excluded by both structural and non-structural factors; from language to prejudice. Without public support, their success becomes near impossible. This support, Kontos hypothesizes, is the responsibility of the state. Far from being seen as an act of sacrifice, it is portrayed as an act of intelligent planning whereby the state has plenty to gain: entrepreneurship, especially that of migrants, is a powerful tool any state may yield for progress and development.

⁷ The UNDP report notes 3,000 registered Syrian firms in Turkey, and thousands more operating informally. Most of these firms provide services tailored to the refugees, and are located in areas where many Syrians live (2017: 53).

In closing, while it is quite obvious that Lebanon has lost (mainly to Turkey and Europe) the most-skilled Syrians who could have enriched and diversified its burgeoning entrepreneurship ecosystem (Harling and Berthier 2016), it may also have very well missed the opportunity of enabling and empowering less-skilled Syrians to integrate economically and contribute to local development because of its deep-rooted fears of changing demographics and their impacts on sectarian power configurations with their associated geopolitics. Worse, the ambiguous policies of the Lebanese government vis-à-vis Syrians, especially in the labor sector, have largely detrimental effects on the stability it claims to harbor.

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[Paper submitted to JRS in November 2017]

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