Anti-corruption: A whole-of-society approach

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Corruption in Lebanon has been a chronic issue that resides above all the other complex challenges plaguing the country. Such betrayal of the public's trust, particularly after the Beirut Port explosion, has seen an eruption of anger and can no longer be tolerated.

According to "Beirut Rapid Damage and Needs Assessment (RDNA) — August 2020" published by the World Bank Group in cooperation with the United Nations and the European Union, the physical damage from the blast is estimated at between \$3.8 billion and \$4.6 billion. Housing and culture sectors have been most heavily affected, meaning that our heritage and material identity have been severely ravaged.

In addition, economic losses have been estimated at up to \$3.5 billion, with housing being the most impacted, followed by transport, port operations and culture. These losses come on top of the fatal crises Lebanon has been suffering from since 2011.

The report highlighted that the financial and economic crises, which were exacerbated by the COVID-19 pandemic, have led to "systemic macro- financial failures, including impairment of the banking sector and risk of deposits, an exchange rate collapse, a default on sovereign debt, triple digit inflation rates and a severe economic contraction."

Amid the multiple crises with which we are grappling, there is no political will for any reforms or a breakthrough. Thus, we are in a deadlock on the verge of losing international support due to the corruption that is entrenched in our society. For more than a decade, Lebanon has been passing measures to combat corruption without effective implementation, including ratifying the United Nations Convention against Corruption (UNCAC) in 2008. In 2015, a set of laws were enacted to fight money laundering and terror financing. Laws focused on access to information in 2017, whistleblower protection in 2018, strengthening transparency in the petroleum sector in 2018, and the law establishing the National Anti-Corruption Commission in 2020. Other laws related to anti-corruption such as asset recovery, public procurement and judiciary independence are still pending or under discussions.

Despite the enacted laws, there is an absence of practical mechanisms to implement them and a deficiency in enforcing them. This demonstrates that laws alone are not enough and should be accompanied by total-society approach. In fact, corruption is a culture in Lebanon, which is why the state should shift from confessional governance to good governance through administrative reforms and setting effective accountability instruments at the political, judicial, administrative and financial levels. With such governance policies would be more effective and efficient in preventing fraud and the depletion of resources.

As an example of inefficient market failure, InfoPro published a study on "Subsidies" in September which estimated that the poor's share, when measured in terms of monetary value, is less than 25 percent of the total amount spent by the state and the Central Bank, with the lion's share of subsidies consumed mostly by the non-poor. With nearly \$5 billion spent on subsidies per year that do not include basic services such as public education, this leads us to conclude that some \$4 billion is being wasted outside their intended target.

The fight against corruption is not the responsibility of a single entity: It must be a collective approach. It requires a kaleidoscope of tools to be applied effectively and efficiently by governments, civil society, the media and political parties in order to create an environment in which corruption can find no place.

This environment is the one in which free press has access to information based on the government's responsibility to transparency. It is an environment in which civil society can pressure governments to listen to the people and act for the people. It is an environment in which citizens are aware enough to understand that the price of seeking nepotism and favoritism will in the middle and long runs come in the shape of economic failures and financial dysfunction.

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