

# Entrepreneurial Systems of Syrian Refugees as Stimulators of Host Economy: Case of Ouzaii (Lebanon)

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## ABSTRACT

This article investigates the impact of the Syrian displacement on the economic and urban transformation in Ouzaii, a major informal settlement in the southern suburbs of Beirut that is characterised by a complex socio-political structure. It explores the potential of “entrepreneurial systems” that emerge when Syrian refugees become part of the host community and its economy. These systems include Syrian refugees as either part of the lower labour force, business owners, or entrepreneurs. The article locates these entrepreneurial systems within the spatial networks and investigates how Syrian refugees create opportunities for themselves and the host community given the specificity of the market that is subject to legal setups and mediated by the political party of Hezbollah. It uses the construct of “mixed embeddedness” by Kloosterman et al. and the notion of “quiet encroachment” by Asef Bayat to understand how the Syrian refugees were able to infiltrate into Ouzaii’s economy and become part of the “entrepreneurial systems” that stimulate the economic cycle and revitalise the urban space.

**KEYWORDS:** Syrian refugees, displacement, entrepreneurial systems, mixed embeddedness, quiet encroachment, informality, lebanon, ouzaii

## 1. INTRODUCTION

The outbreak of the Syrian war in 2011 has caused one of the largest, most complex, humanitarian emergencies of modern times. It has caused the internal displacement of 6.6 million people within Syria and forced a further 5.6 million people to escape across the borders mainly to neighbouring countries with the majority settling in

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urban areas.<sup>1</sup> Lebanon, coming second after Turkey in hosting Syrian Refugees, had received more than 1.2 million refugees by 2014 and currently has 910,256 registered refugees.<sup>2</sup> Having difficult socioeconomic conditions before 2011, Lebanon has to contend with emerging socioeconomic pressures especially where the refugees settled amid the lack of a defined and consistent policy, and legal or administrative framework.<sup>3</sup> Subsequently, the Lebanese government prompted a set of restrictions on Syrians entering the country in late 2014. The government closed the borders, placed strict conditions on Syrians seeking work, and, in 2015, urged the UNHCR to stop registering refugees.<sup>4</sup> As a result of these actions, the informal practices, modes of settlements, and border crossings of the Syrian refugees into the country have increased and their impact has become more debatable. Scholars have debated whether the Syrian refugees are an economic burden as they increase competition for jobs and place downward pressure on wages, or whether they are economic drivers as they provide labour and purchasing power.<sup>5</sup>

Most of the literature on the dynamics of the Lebanese labour market and Syrian refugees discusses their precariousness and vulnerability, their limited livelihood resources, the increasing competition among Lebanese and Syrian labour, and the emerging economic pressures as a result of the crisis in 2011. According to the International Labour Organization (ILO),<sup>6</sup> most of the economically active Syrians are informally engaged in low-skilled work in agriculture, domestic services, and construction. Other reports highlight the emerging pressure that exacerbates the economic life of the hosts on the macro and the sectoral scales of Lebanon.<sup>7</sup> Scant literature discusses Syrian-owned businesses in Lebanon and their contribution to the local economy.<sup>8</sup> Almost 1,200 unlicensed Syrian businesses in Lebanon were reported by the Lebanese Economy and Trade Ministry as of 2013, which will not

- 1 United Nations High Commissioner for Refugees (UNHCR), *Syria Emergency*, Geneva, UNHCR, April 2020, available at: <https://www.unhcr.org/syria-emergency.html> (last visited 14 Apr. 2020).
- 2 United Nations High Commissioner for Refugees (UNHCR), *Operational Portal Refugee Situations*, Geneva, UNHCR, 2020, available at: [https://data2.unhcr.org/en/situations/syria#\\_ga=2.70923664.1019130927.1588582673-885700239.1547311903](https://data2.unhcr.org/en/situations/syria#_ga=2.70923664.1019130927.1588582673-885700239.1547311903) (last visited 14 Apr. 2020).
- 3 C. Geha & J. Talhouk, "Politics and the Plight of Syrian Refugees in Lebanon: Political Brief on the Return of Syrian Refugees," Policy Brief, Beirut, American University of Beirut, 2018: 1, available at: <https://www.aub.edu.lb/Documents/Politics-and-the-Plight-of-Syrian-Refugees-in-Lebanon.pdf> (last visited 8 Nov. 2019).
- 4 *Ibid.*, 2.
- 5 International Rescue Committee (IRC), "Economic Impacts of Syrian Refugees: Existing Research Review & Key Takeaways," 2016: 1, available at: <https://www.rescue.org/sites/default/files/document/465/ircpolicybriefeconomicimpactsofsyrianrefugees.pdf> (last visited 29 Jul. 2019); S.D. Miller, *Assessing the Impacts of Hosting Refugees*, Waterloo, ON, Canada: Centre for International Governance Innovation, 2018, available at: <https://www.cigionline.org/sites/default/files/documents/WRC%20Research%20Paper%20no.4.pdf> (last visited 29 Jul. 2019).
- 6 International Labour Organisation (ILO), "Assessment of the impact of Syrian refugees in Lebanon and their employment profile 2013", 2014: 1–48, available at: [https://www.ilo.org/beirut/publications/WCMS\\_240134/lang-en/index.htm](https://www.ilo.org/beirut/publications/WCMS_240134/lang-en/index.htm) (last visited July 2019).
- 7 A. David, et al., *The Economics of the Syrian Refugee Crisis in Neighboring Countries. The Case of Lebanon*, Economic Research Forum, Working Paper No. 1249, November 2018, available at: <http://erf.org.eu/publications/the-economics-of-the-syrian-refugee-crisis-in-neighboring-countries-the-case-of-lebanon/>
- 8 For more information see M. Harb, A. Kassem & W. Najdi, "Entrepreneurial Refugees and the City: Brief Encounters in Beirut", *Journal of Refugee Studies*, 32(1), 2018, 32–41, available at: <https://doi.org/10.1093/jrs/fey003>

include the many businesses operating in informal settings. Many micro and small informal Syrian-owned businesses that opened after 2011 included restaurants, retail shops, bakeries, mechanical repairs, woodworking shops, and others. Syrians often opened their businesses at the same place of residence and almost exclusively employed Syrians. Considering the cheap Syrian labour, competition has increased between self-employed Lebanese and Syrians, mainly in handicraft and semi-skilled jobs.<sup>9</sup> As a response to the Syrian informal involvement in the Lebanese labour market, some Lebanese business owners consider that the increase in the number of informal businesses will solely expand the informal market and implicate additional costs on the socio-economic development, while others contemplate them as a major stimulus to the business cycle and a positive contribution to the local economy.<sup>10</sup>

Thus, this article investigates the intersection between Syrian displacement and the impact of the Syrian refugees' spatial-economic practices on the economic transformation of Ouzaii, a major informal settlement of the southern suburbs of Beirut that hosted displaced Syrians. Ouzaii is considered a locally unique model known for its strong political affiliation with Hezbollah and the tribal social ties of *ashae'r* (عشائر) that closely control activities in the area. Ouzaii has been subjected to various waves of displacement throughout the past 60 years, including the forced displacement of Lebanese, Palestinians, Syrians, and others in 1976, 1982, and 2011.<sup>11</sup> Until 2018, numbers from ARCH consulting show that the area hosted an approximate 10,000 Syrian refugees. The large influx of Syrian refugees into Ouzaii has transformed the area in several ways. The abrupt increase in the population density, mainly of Syrians, has compromised living conditions in the area and resulted in high demand in housing supply, which was almost saturated by 2018. However, the socio-economic and spatial practices that were brought along by Syrian refugees have considerably intensified the economic activities in Ouzaii.

This article explores the potential of "entrepreneurial systems" that emerge when Syrian refugees become part of the host economy of Ouzaii. Building on Betts et al.'s<sup>12</sup> concept of "refugee economies", this article explores how "innovation" in Syrian refugees' income-generating activities often creates opportunities for them and their host community. "Innovation" thus forms the base of what we term in this article "entrepreneurial systems", which encompass the Syrian refugees as either part of the lower labour force, business owners, or entrepreneurs in their own right, and their different economic practices and contributions. The article further locates these entrepreneurial systems within the spatial networks and investigates how Syrian refugees are involved in these "systems" by employing their resources and taking

9 ILO, "Assessment of the impact of Syrian refugees in Lebanon and their employment profile 2013", para. 13.

10 *Ibid*, para. 97.

11 W. Charafeddine, "The study of the Southern Periphery of West Beirut", Paris, University of Paris, Ph.D. Dissertation, 1986; N. Burckhardt & H. Heyck, *dahiyah – The outh-western Suburbs of Beirut - An Eclectic Microcosm*, Beirut, ETH Studio Basel Contemporary City Institute, 2009.

12 A. Betts, et al., *Refugee Economies: Forced Displacement and Development*, Oxford, Oxford University Press, 2016.

advantage of the market opportunities mediated by the political parties and subjected to the local legal setups. It investigates how the change in the economic dynamics spatially transformed and stimulated urban space in Ouzaii. The article uses the economic construct of “mixed embeddedness” put forward by Kloosterman et al.<sup>13</sup> and the notion of the “quiet encroachment of the ordinary” as defined by Asef Bayat<sup>14</sup> to understand how the Syrian refugees were able to infiltrate into the informal economy of Ouzaii, which is characterised by a complex socio-political structure, and consequently become part of the “entrepreneurial systems” that stimulate the economic cycle and regenerate the urban space.

## 2. REFUGEE “ENTREPRENEURIAL SYSTEMS” IN LITERATURE

Refugees have vulnerabilities as well as capacities, skills, and aspirations. Although they are perceived in most cases as a burden on host states – whether to security, the economy, or the environment – they nevertheless have the potential to contribute economically and socio-culturally.<sup>15</sup> Thus, this makes it crucial to acknowledge “refugee economies” as a distinctive type of economy, which Betts et al. define as “the resource allocation system relating to refugee populations”.<sup>16</sup> Despite their vulnerable status, refugees can support themselves through their skills and capacities.<sup>17</sup> Karen Jacobsen, in her book *The Economic Lives of Refugees*, explores the refugees’ potential through what she terms “refugees’ income-generating activities”. The latter encompasses activities of production, consumption, and financing mechanisms, in addition to elucidating their interactions with host communities. Practically, refugees engage in significant levels of market activity. Not ignoring the constraints of acclimating to new regulatory environments and market dynamics, building new social networks, and overcoming socio-political tensions, refugees are in fact consumers, producers, buyers, sellers, employers, employees, and entrepreneurs.<sup>18</sup> A comprehensive understanding of the economic lives of refugees triggers a rethinking of refugees beyond their dependence on humanitarian aid and increasing pressure on host economies, focusing instead on models of development and opportunities for sustainability. Refugees as a “development agency” has been discussed since the 1980s. Gorman<sup>19</sup> and Stein<sup>20</sup> explored the economic potential of refugees and argued that development assistance, when applied to refugees, would promote their support and

13 R. Kloosterman, J. Van der Leun & J. Rath, “Mixed Embeddedness: (In)Formal Economic Activities and Immigrant Business in the Netherlands”, *International Journal of Urban and Regional Research*, 23(2), 1999, 253–267.

14 A. Bayat, *Life as Politics: How Ordinary people Change the Middle East*, Amsterdam, Amsterdam University Press, 2010.

15 Betts et al., *Refugee Economies: Forced Displacement and Development*, 2; K. Jacobsen, “Refugees and Asylum Seekers in Urban Areas: A Livelihoods Perspective”, *Journal of Refugee Studies*, 19(3), 2006, 283.

16 Betts et al., *Refugee Economies: Forced Displacement and Development*, 46.

17 M. De Vriese, *Refugee Livelihoods: A Review of the Evidence*, Geneva, UNHCR Evaluation and Policy Analysis Unit, 2006, 1–2, available at: <https://www.unhcr.org/4423fe5d2.pdf> (last visited 14 July 2019); K. Jacobsen, *The Economic Life of Refugees*, Bloomfield, CT, Kumarian Press, 2005.

18 Betts et al., *Refugee Economies: Forced Displacement and Development*, 11.

19 R.F. Gorman, “Coping with Africa’s Refugee Burden: A Time for Solutions”, Dordrecht, M. Nijhoff Publ., 1987.

20 B. Stein, “ICARA II: Burden-sharing and durable solutions”, in John R. Rogge (ed.), *Refugees: A Third World Dilemma*, Totowa, NJ: Rowman & Littlefield, 1987.

integration in host communities, and would benefit the refugees themselves as well as their host communities. Accordingly, this would reduce the long-term cost of humanitarian assistance.

Considering refugees as an agency of development presses us to explore the context in which refugees often engage economically. As discussed in the literature, the economic lives of refugees almost inexorably bstride the formal and informal sectors. In practice, the right to work is rarely granted to refugees, particularly in host countries of the Global South. This is due to a set of restrictions, including expensive work permits or the non-recognition and valuation of foreign qualifications, impeding them to work in the formal sector. As a result, refugees often seek work within the informal sector. They become embedded in the informal market and become one group of the market's actors. According to the economic sociologist Weber,<sup>21</sup> these actors are conceptualised as social actors; they are "constituted by their context" and are "embedded cultures" that influence the performance of both communities – hosting and hosted – shaping structural constraints into opportunities. In this regard, Simone argues that the social dimension is crucial in "facilitating the intersection of socialities",<sup>22</sup> which enables residents with limited means to access and be part of the economic and cultural operations. This is what he terms "infrastructure". He further argues that locations capable of hosting intensity and heterogeneity of lives act as exemplars for providing mutual support among people and, as a result, enable them to sustain their lives.<sup>23</sup> As Simone highlights the importance of heterogeneity in provoking economic and cultural operations, Qasmiyeh frames heterogeneity as a by-product of "overlapping displacements" and studies the social networks developed among different displaced populations.<sup>24</sup> She explores the "potential to support the development, and maintenance, of welcoming communities, whether [...] composed of citizens, new refugees, or established refugees".<sup>25</sup> Building on both notions by Qasmiyeh and Simone, Yassine et al.<sup>26</sup> pose the "infrastructure of care" that is based on social capital and networks, as one means that enables refugees to surpass the emerging socio-economic and political challenges in informal settlements and be part of the economic cycle in their hosting community.<sup>27</sup>

21 C. Weber, *International Relations Theory*, London, Routledge, 2013.

22 A.M. Simone, "People as Infrastructure: Intersecting Fragments in Johannesburg", *Public Culture*, 16(3), 2004, 407.

23 Simone, "People as Infrastructure: Intersecting Fragments in Johannesburg".

24 E. Fiddian-Qasmiyeh, "Refugees Helping Refugees: How a Palestinian Camp in Lebanon is Welcoming Syrians", *The Conversation*, 2015; E. Fiddian-Qasmiyeh, "Refugees Hosting Refugees", *Forced Migration Review*, Local Communities: First and Last Providers of Protection (2016a), available at: <https://www.fmreview.org/sites/fmr/files/FMRdownloads/en/community-protection/fiddianqasmiyeh.pdf> (last visited 22 Aug. 2020); E. Fiddian-Qasmiyeh, "Refugee-Refugee Relations in Contexts of Overlapping Displacement", *International Journal of Urban and Regional Research*, 2016b.

25 Fiddian-Qasmiyeh, "Refugees Hosting Refugees", 27.

26 B. Yassine, H. Al-Harithy & C. Boano, "Refugees Hosting Other Refugees: Endurance and Maintenance of Care in Ouzaii (Lebanon)", *Journal of Refugee Studies*, fez098 (2019), available at: <https://doi.org/10.1093/jrs/fez098> (last visited 4 May 2020).

27 D. Buscher, "New Approaches to Urban Refugee Livelihoods", *Refuge: Canada's Journal on Refugees*, 28 (2), 2013, 17–30; P.A. Palmgren, "Irregular Networks: Bangkok Refugees in the City and Region", *Journal of Refugee Studies*, 27(1), 2013, 21–41, available at: <https://doi.org.eres.qnl.qa/10.1093/jrs/fet004>; K. Grabska, *Living on the Margins: The Analysis of the Livelihood strategies of Sudanese Refugees with*

In this regard, Kloosterman et al. do not limit the success of the refugees' engagement in economic life and their ability to transform structural constraints into opportunities to solely their social capital, but extends this to acknowledging the socio-economic make-up of the new environment. They proposed a bi-fold concept – “mixed embeddedness”<sup>28</sup> – that includes the role of social capital and networks of refugees in negotiating their economic lives – termed as “concrete embeddedness” and “abstract embeddedness” – into the local socio-economic and political localities.<sup>29</sup> They relate the concept to the immigrants' – we use here *refugees*' – survival “partly by facilitating informal economic activities – in segments where indigenous firms, as a rule, cannot”.<sup>30</sup> As a form of embeddedness in host economies, refugees adopt “innovative” tactics and strategies to manoeuvre and infiltrate the socio-political complexities and exclusionary actions in their host communities. This is what Bayat terms the “quiet encroachment of the ordinary” through which the urban disenfranchised “refigure new life and communities for 'themselves' [...] not through formal institutional channels, from which they are largely excluded, but through direct actions in the very zones of exclusion”.<sup>31</sup> Bayat argues that through a repertoire of tactical practices, disenfranchised groups – refugees in this case – can resist marginalisation, survive, and sustain their livelihoods.

Innovation within refugee communities is not limited to these tactics: it can be conceptualised as any means of creative adaptation that transforms “market distortions into opportunities”.<sup>32</sup> These methods, not necessarily transformative, simply include incremental adaptation to a specific context.<sup>33</sup> Thus, innovation is not only connected to systems of entrepreneurship; it involves any means capable of stimulating markets and increasing productivity by ensuring the ability of oneself to navigate the market, spot opportunities, and mitigate constraints. For refugees, Betts et al. define innovation as ways in which refugees are able to “apply their agency – their skills, talents, and aspirations – in order to transform their structural situation into new sets of opportunities, which create value for themselves and for others”.<sup>34</sup> Building on this, Syrian refugees in Ouzaii are innovators and can be workforces, business owners, and further entrepreneurs. They form “entrepreneurial systems” that operate along with hosting

*closed Files in Egypt*. Forced Migration and Refugee Studies, New Cairo, The American University in Cairo, 2005.

- 28 Kloosterman, Van der Leun & Rath, “Mixed embeddedness: (In)formal economic activities and immigrant business in the Netherlands”; R. Kloosterman & J. Rath, “Immigrant Entrepreneurs in Advanced Economies: Mixed Embeddedness Further Explored”, *Journal of Ethnic and Migration Studies*, Special issue on ‘Immigrant Entrepreneurship’, 27(2), 2001, 189–202; R. Kloosterman, “Mixed Embeddedness as a Conceptual Framework for Exploring Immigrant Entrepreneurship”, Eurex Lecture nr. 8, Amsterdam, University of Amsterdam, 2006, available at: [https://www.researchgate.net/publication/228544072\\_Mixed\\_Embeddedness\\_as\\_a\\_Conceptual\\_Framework\\_for\\_Exploring\\_Immigrant\\_Entrepreneurship](https://www.researchgate.net/publication/228544072_Mixed_Embeddedness_as_a_Conceptual_Framework_for_Exploring_Immigrant_Entrepreneurship) (last visited 11 Mar. 2020).
- 29 Kloosterman & Rath, “Immigrant entrepreneurs in advanced economies: mixed embeddedness further explored”, 190.
- 30 Kloosterman, “Mixed Embeddedness as a Conceptual Framework for Exploring Immigrant Entrepreneurship”, 2.
- 31 Bayat, *Life as Politics: How Ordinary people Change the Middle East*, 5.
- 32 Betts et al., *Refugee Economies: Forced Displacement and Development*, 55.
- 33 J. Tidd & J. Bessant, *Managing Innovation: Integrating Technological, Market and Organizational Change*, 4th, ed. Chichester, John Wiley & Sons, 2009.
- 34 Betts et al., *Refugee Economies: Forced Displacement and Development*, 168.

communities through their “mixed embeddedness” and thus stimulate hosting economies.

### 3. METHODOLOGY

The article explores the transformation that took place in Ouzaii with its impact on the local economy and the urban space until 2018; hence, incidents after 2018 were not considered. However, the research recognises displacement as an evolving and dynamic process. The research is not limited to studying Syrian businesses only, but extends to non-Syrian businesses as well, mainly Lebanese. It adopts a mixed methodology of quantitative and qualitative research focusing on business profiles, spatial arrangement, socio-economic practices, tactics, and business strategies to determine the level of “mixed embeddedness” of the Syrian refugees within the context of Ouzaii.

The research relied mainly on primary sources that include raw data, field mapping, recorded observations, informal conversations, and 12 qualitative semi-structured interviews. Data about the economic units was extracted from an unpublished survey conducted by ARCH Consulting in 2017<sup>35</sup> on behalf of the Municipalities of Ghobeiry and Bourj Al Barajneh, which was initially collected for taxation purposes. It was later filtered and adapted by the authors for the purposes of this research. The data was then substantiated by an interview with the ARCH Consulting Surveying Department Supervisor<sup>36</sup> and updated by fieldwork in 2018, after which information about the units that opened between 2017 and 2018 was added. The updated survey included information about 1500 economic units, of which 57 were added after the fieldwork. The ARCH Consulting survey was then used as a benchmark to target key interviewees through semi-structured interviews<sup>37</sup> and informal chats. Narratives of Lebanese and Syrian shop owners and residents were recorded to support the research findings. The interview questions revolved around the interviewee’s place of origin; residence; period of living/working in Ouzaii; the reason behind moving to Ouzaii; forms of assistance or help in accessing jobs and housing; interaction and socialising with other communities; forms of threat, assault, control; or exclusion; and tactics and practices to overcome exclusion and other hardships. Potential interviewees were primarily approached through a wide circle of friends and acquaintances and the snowballing method. Participants’ consent was secured in a written or recorded oral format as per the participant’s

35 The survey includes information about all the residential and economic units and their occupants/owners in Ouzaii up to 2017. Information revolved around the unit’s status (geographical location, location within the building, size, physical condition, occupancy status, function, and year of occupation) and the occupant/owner (nationality, birthplace, and place of residence). The process of accessing the ARCH Consulting Survey took more than three months of contacting municipal and political officers, key people (i.e. mukhtars), and professionals (engineers) who have connections with the municipalities of Ghobeiry and Bourj Al-Barajneh and the involved political parties in Ouzaii. The data was authorised for access after securing the authors’ consent for not sharing any original or raw data with other parties but only analysing the data and producing diagrams by the authors themselves.

36 ARCH Consulting Surveying Department Supervisor, Interview, Batoul Yassine, Aug. 2018.

37 The interviews were conducted by Batoul Yassine in Arabic. It should be noted that some of the meanings behind key terminologies used by the interviewees may have been slightly altered in translation to fit standard English academic writing.

**Figure 1.** Location map of the studied area. Source: Batoul Yassine.

preference. The names of the interviewees were anonymised to avoid identity disclosure. Besides, socio-spatial practices were identified through recorded observations, which extended over several months in 2018 and 2019. The research relied heavily on statistical data, spatial analysis using ArcGIS, and comparative analysis with previous mapping that was conducted by Burckhardt and Heyck in 2009 to identify and measure the extent and type of transformation. Due to limitations in data collection, the article does not address the income and revenue of businesses and workers. It approaches the “entrepreneurial systems” from two levels: the first studies the Syrian refugees as innovative business owners across the entire area, while the second identifies the Syrian refugees as an innovative labour force through one example of Ouzaii’s well-known port, Al-Hadi Port, both contributing to the economic vitality of Ouzaii and the revitalisation of its urban spaces.

#### 4. SETTING THE SCENE

Ouzaii’s strategic location on the southern coastline of the suburbs of Beirut between the Rafik Hariri International Airport and the south of Beirut, first encouraged Syrian refugees to settle there (Figure 1). It falls within three municipal

administrative boundaries: Ghobeiry, Bourj Al Barajneh, and Tahwit Al Ghadir. Ouzaii merges with the adjacent districts of Jnah, Hay Al Zahra, and Maramel, a dense belt of informal settlements around a green golf-course club. Secondly, its main street, known as the Ouzaii Boulevard, constitutes a prominent spine of commercial and artisanal activities with substantial economic value, particularly furniture shops and mechanics, making it a destination for many of those seeking work in the commercial and light industrial sectors. The area is also well known for its fishing activities at Al-Hadi port.<sup>38</sup> Thirdly, Ouzaii's informal character facilitates access for the displaced Syrians to housing and job opportunities away from the gaze of the government.

With a total population of 43,000 people in 2018, from more than five nationalities, Ouzaii had 21 per cent (9,798 people) Syrians – mostly from Aleppo – coming second after the Lebanese who are mainly Shiites from the Beqaa valley and the South, who comprise 70 per cent of the total population. Other common nationalities are Palestinian, Ethiopian, and Bengali, each comprising 1 per cent of the total population.<sup>39</sup>

According to some of the interviewed shop owners and residents, Ouzaii's economy before 2011 was struggling and many shops were either closing or making no profit. A Lebanese shop owner stated that: "The market was not doing well before 2011. An adjacent shop had closed and opened several times, each time trying a different business. Nothing worked well, and this was the case with many other shops in Ouzaii."<sup>40</sup>

Although Ouzaii was historically known for its vigorous economic activity entailing both commercial and light industrial businesses, mainly furniture, car industry, and daily goods shops, it did not survive the economic recession that Lebanon was passing through before 2011. After 2011, the massive displacement of Syrian refugees to Ouzaii was facilitated by the political decision of Hezbollah regarding the Syrian crisis, refugees in particular. A member of Hezbollah's municipal committee stated in this regard: "Syrians hosted us during the 33-day war with Israel in 2006, so, we hold ourselves responsible for hosting and supporting them during these tough moments".<sup>41</sup> Syrians could work and reside in Ouzaii, whether formally or informally, but certainly under the supervision of Hezbollah. Despite this form of support, Syrians had to cope with or overcome certain social tensions in Ouzaii of the tribal families, *ashae'r*, in addition to the extreme monitoring practices of Hezbollah in the area. Noting these realities, the area witnessed an economic transformation and increased economic activity from 2011 to mid 2019.<sup>42</sup>

38 See Charafeddine, "The study of the Southern Periphery of West Beirut"; Burckhardt & Heyck, "*dahiyah* – The South-Western Suburbs of Beirut – An Eclectic Microcosm", In Fawaz, M. & I. Peillen, "The Case of Beirut, Lebanon", in Understanding Slums: Case Studies for the Global Report on Human Settlements, London, UN-Habitat, 2003, available at: [http://www.ucl.ac.uk/dpu-projects/Global\\_Report/pdfs/Beirut.pdf](http://www.ucl.ac.uk/dpu-projects/Global_Report/pdfs/Beirut.pdf) (last visited 4 May 2020).

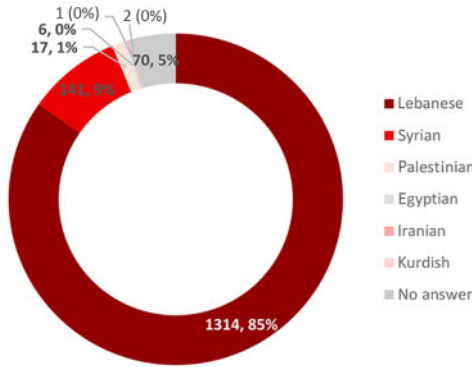
39 Based on data collected by ARCH Consulting in 2017 and fieldwork conducted by Batoul Yassine in 2018.

40 Shop owner, Interview, Batoul Yassine, Feb. 2019.

41 Hezbollah's officer, Interview, Batoul Yassine, Aug. 2018.

42 In 2019, the economic activity in Ouzaii was negatively influenced by two major incidents that this article does not address. The first happened in July 2019 when the Minister of Labour made a decision to

**Figure 2.** Economic unit distribution per nationality. *Source:* Batoul Yassine, 2018.



**5. SYRIAN REFUGEES AS “INNOVATIVE” BUSINESS OWNERS:  
A CATALYST FOR THE STIMULATION OF OUZAII’S ECONOMY**

“Syrians generally confirm their reputation of having a strong entrepreneurial spirit and ‘appetite for business’”.<sup>43</sup> In Ouzaii, their strong appetite for business was translated into almost 140 businesses in a market that was constituted mostly of Lebanese owners until 2011. Through their “innovative” tactics and entrepreneurial spirit, they started and sustained their businesses, increased the Lebanese appetite for business, and, as a result, revived the market’s activity and rejuvenated the street life. This is evident in the study and analysis of Ouzaii’s market, focusing on new businesses opening before and after 2011.

**5.1. Business profiles**

Based on surveyed data by ARCH consulting, almost a total of 1500 businesses were counted within the boundaries of Ouzaii. The majority of the business owners were Lebanese (85 per cent). Syrian businesses came second and constituted 9.6 per cent (141 shops). Palestinian businesses constituted 1 per cent with 0.5 per cent Egyptian, Iranian, and Kurdish each (Figure 2).

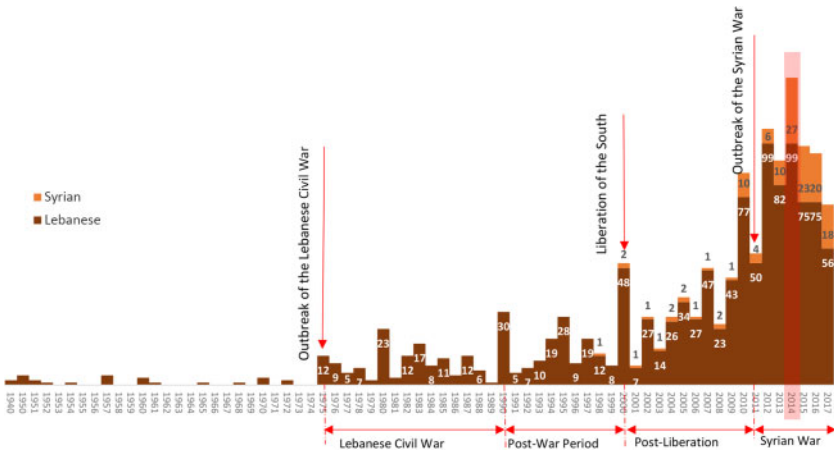
*5.1.1. Mapping of Syrian businesses throughout the years*

The market had always been influenced by political and economic incidents that took place in Lebanon, and this is demonstrated in Figure 3 which shows the number of Lebanese and Syrian businesses opening from the 1940s until 2017. The graph shows a notable increase in 1980, during the Lebanese Civil War (1975–

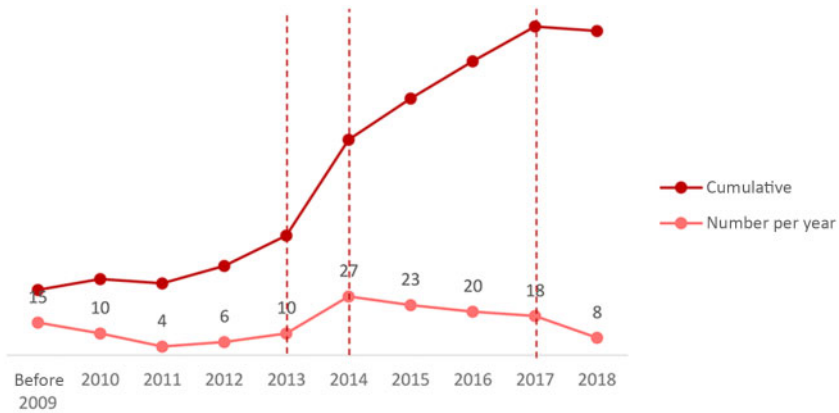
organise foreign labour in Lebanon, after the increase in competition between Lebanese and non-Lebanese labour, particularly the Palestinian and Syrian workforce. The latter were deemed illegal if they had no legal work permits, and thus their work was suspended and shops were closed. The second was the Lebanese Revolution that erupted on 17 October 2019 after intensification of the economic crisis and the failure of Lebanese fiscal policies. As a result, many Syrian refugees left the country after not being able to sustain their livelihoods in Lebanon.

43 S. Racchetta, *Assessing the Needs of Refugees for Financial and Non-Financial Services – Jordan*, Vicenza, Italy, Micra Finanza, 2016, vi.

**Figure 3.** Syrian and Lebanese economic units evolution. *Source:* Batoul Yassine, 2018.



**Figure 4.** Syrian opening businesses per year. *Source:* Batoul Yassine, 2018.



1990), when many Lebanese Shiites were displaced to Ouzaii from Beirut. In 1990, the political stability in Lebanon following the end of the Civil War promoted opening new Lebanese businesses. After the Liberation of Southern Lebanon in 2000, the Lebanese local economy was enhanced and thus the economic activity in Ouzaii was influenced as well. The graph shows that until 2011, Lebanese owners were dominant. After the Syrian crisis in 2011, more Syrian and Lebanese businesses opened. Out of the 1500 businesses counted in 2018, 677 units were Lebanese, 25 Syrian, 9 Palestinian, 2 Egyptian, and one Iranian business that opened before 2011 compared to 536 new Lebanese businesses, 116 Syrian, 8 Palestinian, 4 Egyptian and one Iranian business that opened after 2011. Analysis of the number of opening units per year for both Lebanese and Syrian businesses shows a simultaneous considerable

increase after 2011 with 2014 marking the maximum for both; counting 99 Lebanese businesses and 27 Syrian businesses.

The notable increase in the number of Syrian businesses happened between 2013 and 2014 (Figure 4), followed by a constant increase between 2014 and 2017. Building on the narratives of the interviewed shop owners, Syrian refugees in Ouzaii were subjected to a sequential job upgrade. Syrians in Ouzaii gradually gained financial independence that allowed them to open their businesses starting in 2013, two years after their first settlement in Ouzaii. This illustrated the process that applied to some of the Syrian business owners of transforming from aid-recipients at the beginning of their displacement, to workers with daily, weekly, or monthly salaries, to self-employed and independent business owners and entrepreneurs.

In this regard, Mohammad, a Syrian refugee in Ouzaii since 2012, explained that when he first came to Ouzaii, he was hosted by his relative for a short period and then started working for a Lebanese grocery-shop owner for one year. In 2013, he initially opened his grocery shop with one of his Syrian friends outside Ouzaii, in Chouf – Mount Lebanon. The shop was closed after a year because Mohammad faced hardships in his daily commute to Chouf in the first place, and the market there was not welcoming for Syrian businesses in the second place. He then, in 2014, opened his grocery shop in Ouzaii. He stated:

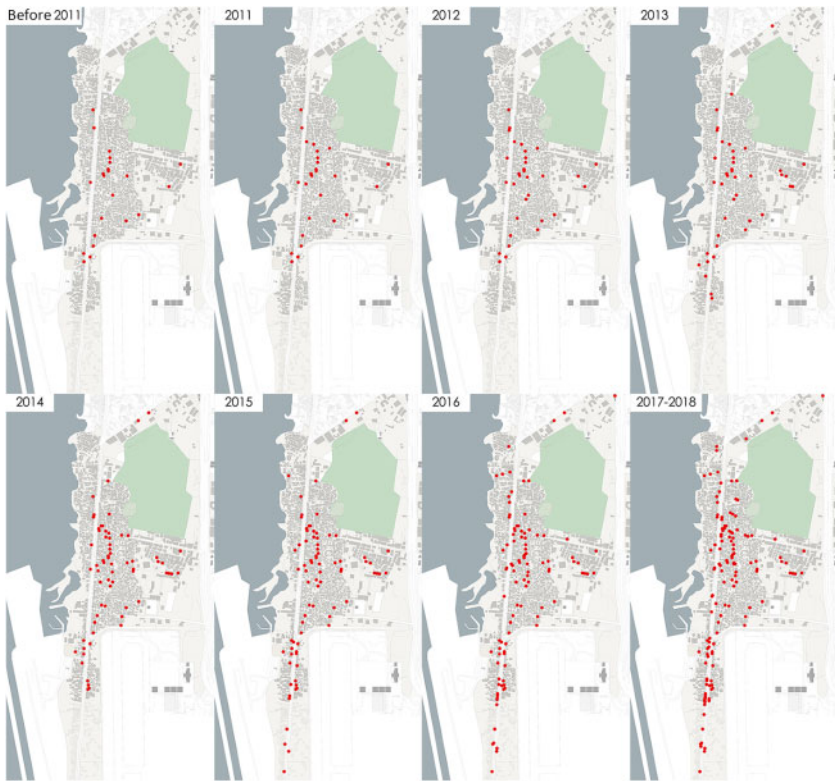
It took me two years to finally be able to start my own business. Two years of attempting to achieve independence considering extreme work conditions and high levels of uncertainty. During these two years, I accumulated experience in the field of grocery selling and most importantly a good amount of money that facilitated my shop opening. This was the target from the very beginning; I wanted to start a business where I first settled in 2012, here in Ouzaii.<sup>44</sup>

This is one example out of many which collectively constitute a solid business base for Syrians in Ouzaii, building on their initiatives and social networks that started taking shape after 2014 and, as a result, facilitated their “concrete embeddedness” within the market of Ouzaii.

Until 2014, most of the Syrians opened their shops in the inner spaces with very few openings on the Ouzaii Boulevard. At that time, most of the shops on the Ouzaii Boulevard were occupied, which decreased the availability for opening new businesses there. Syrians were more likely to open their new shops in the inner spaces, which had higher shop vacancy rates (Figure 5). From 2014 onwards, the number of new Syrian shops on the two main commercial streets, the Ouzaii Boulevard and Maramel-Ouzaii Street, increased. After 2014, the struggling economic units on the main street were shut down and reopened mostly by Syrians. Many of the interviewed Lebanese shop owners who had similar stories explained that they found in handing their businesses to others – mainly Syrians – or renting their shops out, a more profitable investment than running them themselves. This is how Syrians became gradually “abstractly embedded” in the local community: by acknowledging the unique economic contextuality of Ouzaii

44 Mohammad. Interview, Batoul Yassine, Jan. 2019.

**Figure 5.** Syrian businesses distribution throughout the years. *Source:* Batoul Yassine, 2018.

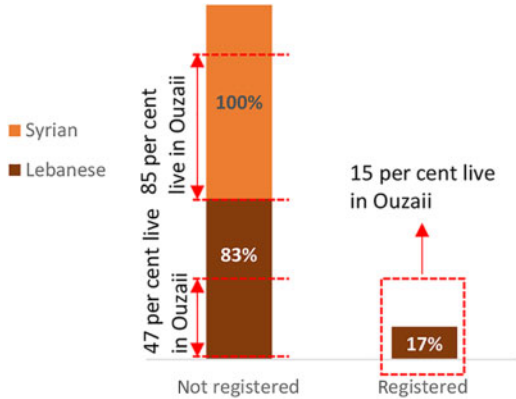


and creating opportunities out of existing constraints and struggles; by “tactically” making the best of the few available opportunities to sustain their livelihoods.

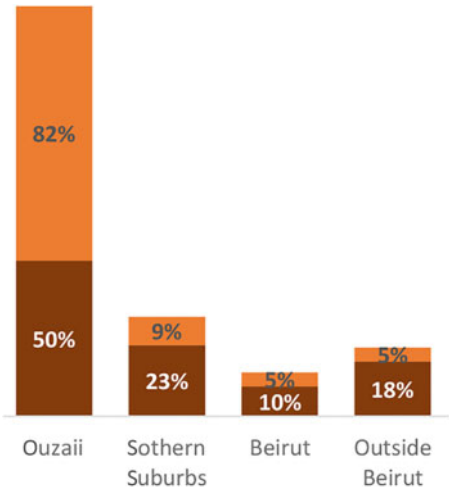
#### 5.1.2. Business legal and occupancy status

Given the informal character of Ouzaii, Syrians sought working there as many had no work permits or legal documents. Numbers show that Syrians who opened businesses in Ouzaii were not registering their businesses. This is explained by either the illegal status of the former owners of the operated shops or the illegal working status of the Syrians themselves. Most of the Syrian business owners lived in Ouzaii, whereas less than 50 per cent of the Lebanese non-registered business owners lived in Ouzaii. In addition, the majority of the Lebanese business owners who registered their businesses, though their percentage is small (17 per cent), resided outside Ouzaii. This signifies the capacity of Ouzaii as a site for both “living” and “working”, and the role its informal character played in facilitating the opening of Syrian businesses, mainly those who took Ouzaii as a place of residence (Figure 6).

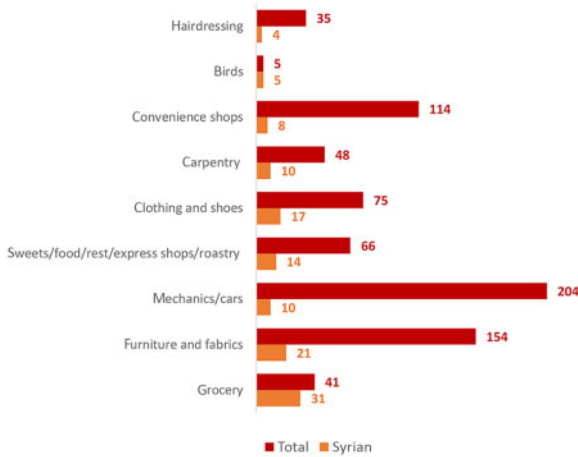
**Figure 6.** Business registration. *Source:* Batoul Yassine, based on data from Arch Consulting 2017.



**Figure 7.** Shop owner place of residence. *Source:* Batoul Yassine, based on data from Arch Consulting 2017.



The majority of Syrian business owners lived in Ouzaii compared to 50 per cent of the Lebanese business owners. The percentages of Syrian business owners living outside Ouzaii is negligible compared to the Lebanese (Figure 7). This is explained by a common trend that prevailed after 2014 when some of the Lebanese shop owners who lived in Ouzaii rented out their apartments to Syrian families. In this regard, Somayya, a Lebanese shop owner who lived in Ouzaii for more than 20 years, explained why she left her apartment in 2013 and rented it out to Syrians. She stated:

**Figure 8.** Syrian owned businesses in Ouzaii. *Source:* Batoul Yassine, June 2018.

Renting out my apartment in Ouzaii for \$500<sup>45</sup> to Syrians made it possible for me to rent another apartment in Aramoun– outside Beirut– with better services and location. Thus, I was able to keep my business and upgrade my accommodation.<sup>46</sup>

In addition, Syrians were more inclined to rent spaces with no legally-binding documents between the renter and the owner as most of them did not have the required work permits. Numbers show that Syrian businesses were mostly rented spaces with only 2 per cent being owned. The latter mainly opened between 2002 and 2003 and were informally sold by their former owners to Syrian men.

### 5.1.3. Business occupation

As discussed earlier, Ouzaii is vastly equipped by commercial activities in addition to workshops and light industry. The major business sectors include cars, furniture, and everyday goods (Figure 8). The emergence of Syrian businesses in Ouzaii contributed to the revitalisation of the streets, particularly the Ouzaii Boulevard, as a public space that was in decline before 2011.

Syrians were able to break through Ouzaii's market, which had a majority of Lebanese businesses until 2011, especially for the furniture and mechanics sectors. The analysis of the distribution of Syrian and non-Syrian businesses per function (Figures 9 and 10) shows that furniture shops were mostly located on the Ouzaii Boulevard, a few located on the Maramel-Ouzaii Street, and others on the peripheries of the inner neighbourhoods. Syrian furniture shops were mostly located on the Ouzaii Boulevard, creating multiple clusters. Out of 154 furniture and fabric shops, 21 were Syrian. The Syrian nationality could be easily identified from the shops'

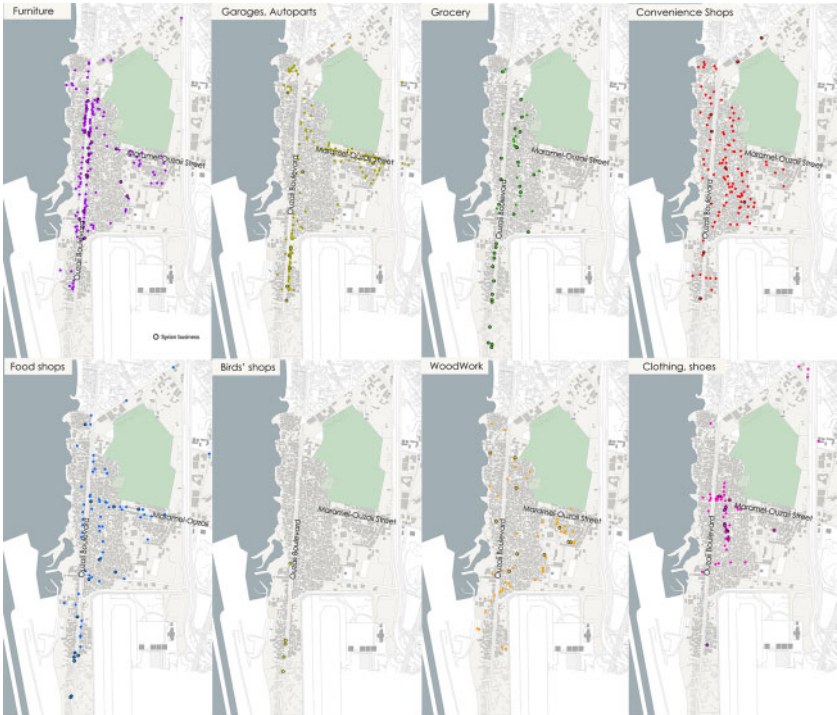
45 At the time of conducting the research in 2018, 1 US dollar was equivalent to 1500 LBP.

46 Somayya, Interview, Batoul Yassine, Jun. 2018.

Figure 9. Business sector distribution. Source: Batoul Yassine, 2018.



Figure 10. Mapping of economic units per function. Source: Batoul Yassine, 2018.



names that referred to Syrian cities and from the traditional Syrian furniture displayed on the sidewalks, i.e. Al-Sharq Furniture, Al Cham Furniture, and Al-Turas Al-Arabi Antiques, which specialises in *Sadaf*, traditional Syrian mother-of-pearl furniture.

Out of the 204 mechanics, garages, and auto parts shops, 10 were Syrian that opened after 2011. The Syrian businesses were located in the southern part of Ouzaii, which used to be the least active. Based on interviews with different shop owners, the concentration of Syrian businesses in this location had three explanations. Firstly, rents were more affordable in this area than that on the Marmel-Ouzaii Street known for accommodating most of these businesses. Secondly, the vacancy rates and the number of struggling businesses on the Marmel-Ouzaii Street were low, which decreased possibilities for Syrians to start businesses on that street. Thirdly, Lebanese garages, mechanics, and auto parts shop owners in Ouzaii had created an internal network among each other backed up by the social networks of their families. This hindered Syrians from opening their businesses on the Marmel-Ouzaii Street and forced them to operate them outside this network.

Grocery shops were strongly present on the Ouzaii Boulevard with the majority being Syrian businesses (31 out of 41 in total). They were strategically located to satisfy the local needs of each of the inner neighbourhoods. The shopfronts' displays were meticulously organised and influenced by what the Syrians call "Grocery Salon" (صالون خضار). Most of the Syrian grocery-shop owners originated from Edleb, originally known for mastering grocery selling in Syria. Furthermore, the area became highly equipped with daily goods shops after 2011, which were located within each neighbourhood to meet the increasing daily needs of the people in Ouzaii. 8 out of 114 convenience stores were Syrian shops. Despite their small number, Syrian stores were strategically located in the dense neighbourhoods where Syrians tended to cluster. Mostly, they were managed by Syrians coming from Dara'a, well known for running convenience stores in Syria.

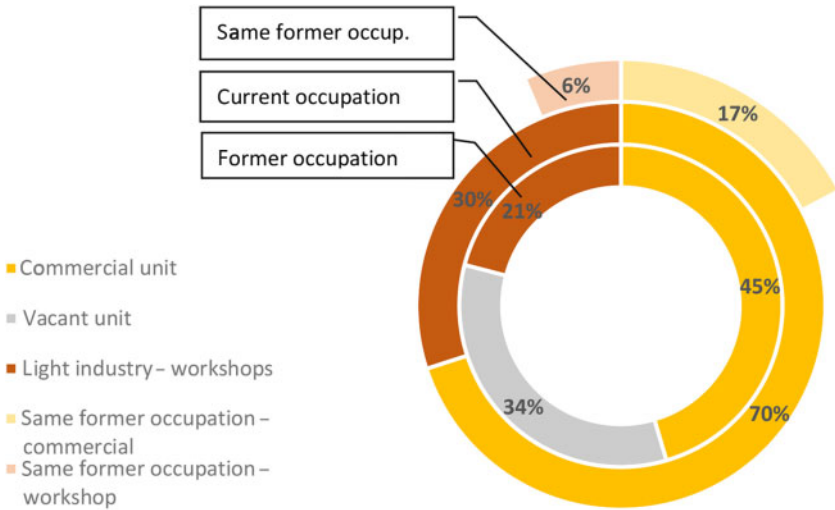
Widely known in Syrian culture, 14 Syrian food shops and roasteries (out of a total of 75) opened in Ouzaii after 2011, providing evidence of blending Syrian and Lebanese food-related cultures. Most of these shops opened either in the inner neighbourhoods or in the southern part of Ouzaii. These shops were identified by their names and the Syrian food they served, i.e. Amir Halab Restaurant, Zahrat Halab Juice, etc.

Additionally, bird shops became common in Ouzaii after 2011 with 5 shops, all Syrian, counted in the southern part of the main street. They opened close to each other creating a zone specialising in birds. These shops reflected the old practice known in the Syrian culture as "alhememati-الحميماتي" or the "pigeon fancier", which was brought back to Ouzaii after 2011 by the Syrians, though it is considered illegal since the area falls within the Air Aviation restriction zone.

The carpentry sector was also revived in Ouzaii. Few shops were located on the main streets and the majority were located in the inner neighbourhoods. After 2011, Syrians opened woodworking shops in vacant premises of the inner neighbourhoods, which had no economic activity. In all, 10 out of a total of 48 woodworking shops opened after 2011 by Syrians who were carpenters in their home country.

Furthermore, clothing and shoe shops played a role in revitalising tertiary streets. Syrian shops extended to one of the tertiary streets at the western end of Marmel-

**Figure 11.** Percentage distribution of Syrian economic units per occupation. *Source:* Batoul Yassine. The former occupation is based on mapping by Burckhardt and Heyck, 2009, and the current occupation is based on data from Arch Consulting 2017 and fieldwork by Batoul Yassine in 2018.



Ouzaii Street, which used to have many vacant shops. Zahraa, a 28-year-old Lebanese woman who was born and currently lives in Ouzaii, asserted that Syrians had revitalised the clothing and shoe market drastically. She stated that “Syrians created a trend in the area by spreading the same clothing and shoe fashion all over Ouzaii. Interestingly, these shops had Syrian and Lebanese customers.”<sup>47</sup>

## 5.2. Syrian businesses: a catalyst for market stimulation

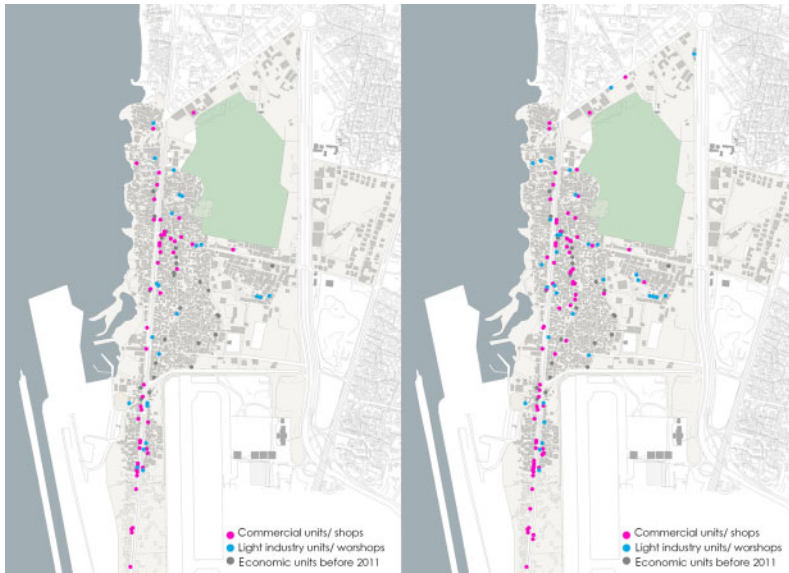
### 5.2.1. Syrian businesses enforcing the commercial activity of Ouzaii

A comparative analysis of the spatial arrangement of the Syrian and the non-Syrian businesses in Ouzaii signifies how the former influenced the spatial arrangement of the latter after 2011 and, as a result, stimulated both the economic and social life in these areas. This section focuses on the units that opened after 2011.

Analysis of the former and recent occupation of these units shows that the Syrian business comprised was constituted of 21 per cent light industry and workshops, 45 per cent commercial units, and 34 per cent vacant units. However, the formerly vacant units were occupied by Syrian businesses after 2011 leading to 30 per cent light industrial units and workshops, of which 6 per cent had the same former occupation (garages and furniture workshops), and 70 per cent commercial units, of which 17 per cent had the same former occupation (mostly grocery, furniture, and convenience shops) (Figure 11). Syrian refugees, during the first years of their displacement to Ouzaii, tended to open shops more than workshops. They explained this by referring to

47 Zahraa, Interview, Batoul Yassine, Jun. 2018.

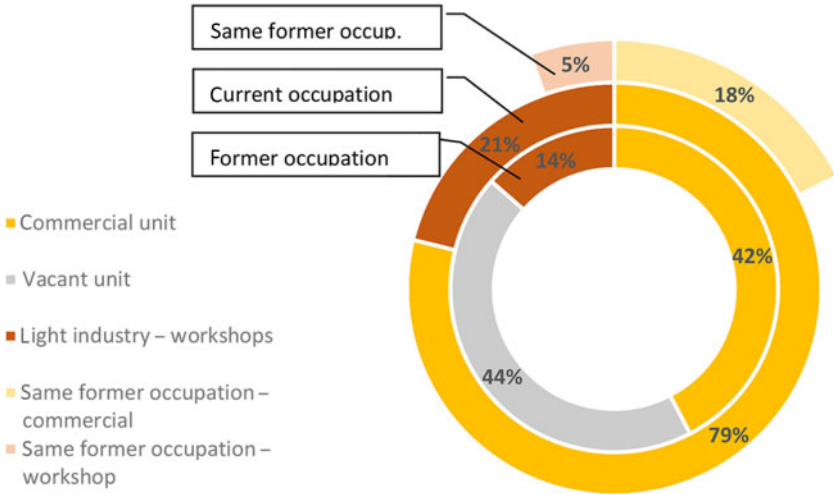
**Figure 12.** Distribution map of the former and current occupation of Syrian economic units. *Source:* Batoul Yassine. The former occupation is based on mapping by Burckhardt and Heyck, 2009, and the current occupation is based on data from Arch Consulting 2017 and fieldwork by Batoul Yassine in 2018.



“network building”. They argued that commercial activities required direct connections with the communities in Ouzaii whereas industrial and workshop activities required more external connections, which needed time to be built. This “tactical” and “incremental” strategy of becoming embedded in the market of Ouzaii led to significantly enforcing the commercial character while slightly promoting the industrial character (Figure 12). Correspondingly, this interpretation applies to non-Syrian businesses that were triggered by the Syrian ones. The research shows that out of the non-Syrian businesses that opened after 2011, 14 per cent were originally light industrial units and workshops, 42 per cent were commercial units, and 44 per cent were vacant shops. The current occupation of the non-Syrian businesses is comprised of 21 per cent workshops, of which 5 per cent had the same former occupation, mostly garages (20 workshops), and 79 per cent commercial units, of which 18 per cent had the same former occupation, mostly autoparts, furniture, and convenience shops (Figures 13 and 14).

The economic identity of some neighbourhoods had been transformed, reinforced, or considerably further promoted. Maps show that Syrian businesses enhanced the commercial aspect of the market especially on the main streets (Ouzaii Boulevard and Ouzaii-Maramel Street). They had slightly promoted the industrial aspect of the inner neighbourhoods. The non-Syrian businesses (mostly Lebanese) had entirely transformed specific neighbourhoods from light industrial to commercials i.e. Al Maqbara and the Gypsies (Alghajar) neighbourhoods. However, the

**Figure 13.** Percentage distribution of non-Syrian economic units per occupation. *Source:* Batoul Yassine. The former occupation is based on mapping by Burckhardt and Heyck, 2009, and the current occupation is based on data from Arch Consulting 2017 and fieldwork by Batoul Yassine in 2018.



economic light industrial and workshop activity of other zones was further promoted and reinforced, i.e. the industrial area, Ouzaii-Al Ghadir area (Figure 14).

5.2.2. *Syrians reviving “struggling businesses” and decreasing shops’ vacancy rates*

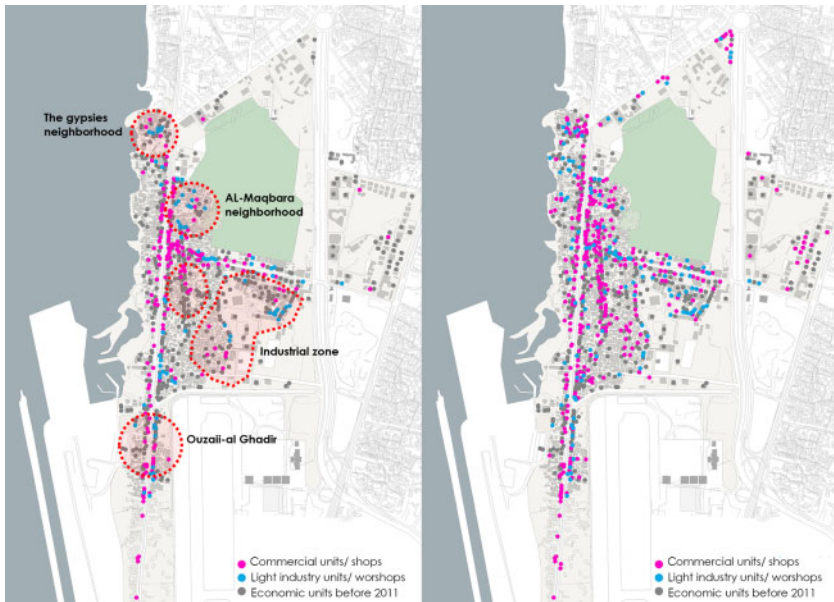
As asserted by the interviewed shop owners, many businesses closed during the economic recession until 2014. These were considered struggling businesses (Figure 15) of which many re-opened under the same function by either their owners or new managers after improving their services. They were mainly located on the main streets and mostly included cars, furniture, and everyday shops. The re-opened Syrian businesses were mostly located on the main Ouzaii street. The story of Abu Karim, a former Lebanese furniture gallery owner in Ouzaii, validated this. Abu Karim rented out his gallery to a group of Syrian refugees who settled in Ouzaii in 2014. He stated:

I never imagined that this shop would operate well. When I decided to rent it out, I was just thinking about the money I would earn without putting effort into reviving my business. Today, the gallery is flourishing; those people are genius. They were able to create a special furniture gallery that sells traditional Syrian furniture.<sup>48</sup>

Furthermore, the formerly vacant shops (Figure 16) were mostly located in the inner neighbourhoods, especially the Syrian businesses that opened to the east of

48 Abu Karim, Interview, Batoul Yassine, Feb. 2019.

**Figure 14.** Distribution map of the former and current occupation of non-Syrian economic units. *Source:* Batoul Yassine. The former occupation is based on mapping by Burckhardt and Heyck, 2009, and the current occupation is based on data from Arch Consulting 2017 and fieldwork by Batoul Yassine in 2018.

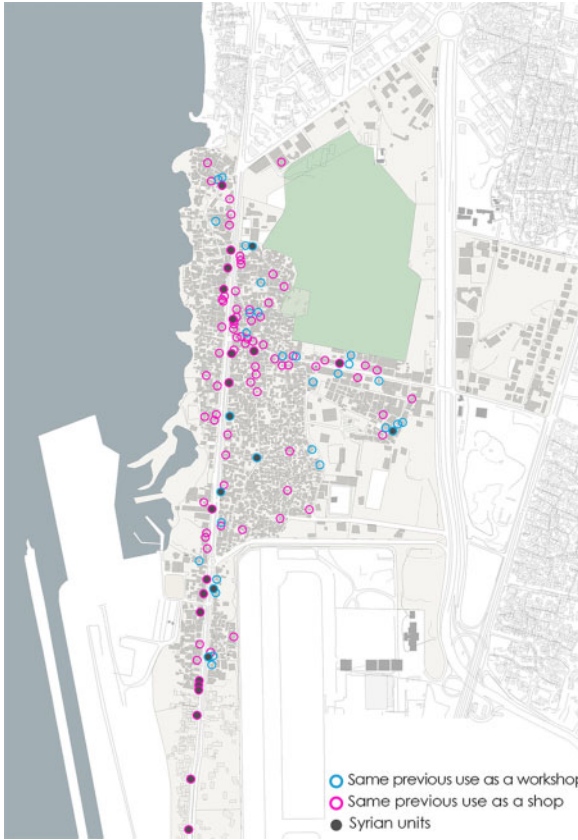


the Ouzaii Boulevard. Most of these units were convenience stores, grocery shops, and pastry shops to satisfy the emerging daily needs of the neighbourhoods that became denser after 2011. Syrians were involved in this process either as business owners or as employees. The main drive for the Syrians to open vacant shops in the inner neighbourhoods was the affordable rent and high vacancy rates compared to the few vacant shops on the main streets where rent was so high. A Syrian shop owner explained in this regard: “It was safer, more concealing, and more affordable to open and operate a shop in the inner spaces than on the main streets.” To him “safety” corresponds to hiding from the municipal police checks after illegally opening a business and escaping the political and social tensions that were more present on the main streets. “Affordability” is explained by the fact that inner shops are cheaper as most of them were vacant/unoperated spaces. The increasing demands encouraged many Lebanese people to open shops in these spaces and employ Syrians to run them considering their low-cost labour. A Lebanese mini-market owner explained:

Syrians have good retailing skills. As a Lebanese shop owner employing a Syrian to operate my shop, I am bringing in more customers, Lebanese and Syrian. This is how I kill two birds with one stone!<sup>49</sup>

49 Mini market owner, Interview, Batoul Yassine, Jan. 2019.

**Figure 15.** Distribution map of economic units having the same former use. *Source:* Batoul Yassine. The former occupation is based on mapping by Burckhardt and Heyck, 2009, and the current occupation is based on data from Arch Consulting 2017 and fieldwork by Batoul Yassine in 2018.



### 5.3. Syrian refugees “mixed embeddedness” a way to combat exclusionary practices

Syrian refugees in Ouzaii had to overcome many constraints and exclusionary practices to enhance their concrete and abstract “embeddedness” in Ouzaii’s economy. They had to face social power in Ouzaii. This is illustrated in the story of Mohammad, a Syrian refugee who owned a mini market on the Ouzaii Boulevard. Mohammad was bothered by one of the well-known ashae’r members who placed an express coffee machine on Mohammad’s storefront as a way of disturbing and restricting his business. Mohammad stated:

**Figure 16.** Distribution map of formerly vacant economic units. *Source:* Batoul Yassine. The former occupation is based on mapping by Burckhardt and Heyck, 2009, and the current occupation is based on data from Arch Consulting 2017 and fieldwork by Batoul Yassine in 2018.



The guy did this as a form of control and exposure. Here, *asha'er* members are renting the sidewalk that is publicly owned to us for \$300. They bring whoever they want – mainly thugs – to sit here and I can do nothing.<sup>50</sup>

In addition, Syrians had to cope with the political pressure that played a role in intensifying and soothing these constraints at once. On one hand, Hezbollah was trying to keep the area under surveillance for security purposes. Although their members comply with the decision of the high command allowing Syrians to work and operate shops in the area, they make sure to “keep an eye” on them by assigning agents to monitor the streets. On the other hand, Hezbollah had completely

50 Mohammad, Interview, Batoul Yassine, Jan. 2019.

restrained the act of demanding extortion money (خوّة *khowwa*) from Syrian shop owners by some ashae'r members.

As a counter-act, Syrians had to devise innovative tactics to manoeuvre around these constraints. As a result, they were able to sustain their businesses and enhance their collective presence in the market of Ouzaii. They developed special relationships with the communities in Ouzaii manifested in the form of infrastructures of care<sup>51</sup> which extended beyond the refugee community to the Lebanese hosts.

This special relationship can be explained by the collective social spirit of the Syrians and their intention to tactically become embedded in these localities. For example, Syrian shop owners had special communication language and hospitality practices with all types of customers. They had strong verbal techniques that encouraged and convinced people to buy their items and benefit from the services they provided. They usually stood on the sidewalk outside their shops inviting customers to come in. Common inviting phrases Syrians use are: “*come and visit us to see the high-quality goods we sell* – *تفضلوا زورونا وشفوا البضاعة يلي عنا*”, “*you will be satisfied with our services* – *ما بتكونو إلا راضيين*”, “*I put myself at your request* – *بأمرك أنا*”. Some food shop owners would also serve a free drink if it's the first visit, as a form of “*hospitality* – *حسن الضيافة*”. This practice in particular has stimulated the activity on the sidewalks and increased the level of interaction between the shop owners and the customers. Also, Syrians had further created informal “*specialty collectives*” through which each group of shop owners bought their raw materials and goods collectively from primary sources at cheaper prices. This was very common among grocery, birds, and woodworking shops. Furthermore, Syrian business owners developed a solid “*professional capital*” among each other. They set meeting spaces in cafes or in front of Syrian shops where they discussed their work and life issues and notified Syrians in need about job opportunities. They recommended each other's work to people, especially in the construction field; i.e. if someone is renovating an apartment, for example, he/she can get a full contact-list of painters, tile workers, carpenters, etc. from a single Syrian contact.

Consequently, Syrian refugees as business owners contributed to the stimulation of the market in Ouzaii, reinforced its commercial identity, and promoted its industrial character. They further transformed some neighbourhoods and occupied spaces that had been vacant for years. Besides the stimulation of these neighbourhoods, the street life was reconfigured; people gathered on the sidewalks in front of the shops to play cards and chat, and shop owners used the sidewalk as a platform for marketing their products. This was made possible through the “*mixed embeddedness*” of the Syrian refugees in the market in Ouzaii; their “*quiet encroachment*” to “*tactically*” and incrementally overcome socio-political challenges by accepting the realities of the site and building on their social capital.

51 Yassine, Al-Harithy & Boano, “Refugees Hosting Other Refugees: Endurance and Maintenance of Care in Ouzaii (Lebanon)”.

**Figure 17.** Evolution of Al-Hadi Port throughout the years Part labels (starting from left to right): a. Before the establishment of the Port- 1998, Source: Army Directorate b. The port in 2004, Source: Google Earth c. The port with a capacity of 336 boats in 2017, Source: Google Earth.



## 6. SYRIAN REFUGEES AS “INNOVATIVE” LABOUR FORCE: LEBANESE/SYRIAN PARTNERSHIPS AT AL-HADI PORT<sup>52</sup>

In the previous section, the research sheds light on Syrians as business owners being part of the so-called “entrepreneurial systems” that contributed to the local economy of Ouzaii. This section presents one example of how the Syrian refugees, as a labour force, were involved in the entrepreneurial systems in Ouzaii. It argues that the informal socio-economic and spatial practices of the Syrian refugees at Al-Hadi Port in Ouzaii backed up by the presence of local political parties, contributed to the revival of the port as a social, economic, and leisure space. The section builds on Asef Bayat’s notion of the “quiet encroachment of the ordinary” that goes beyond the intention of survival to a subsequent economic boost and leverage at the port. It further explains how the informal tactical practices of the refugees coupled with their strong social networks worked around the socio-political complexities of the site, provoked their “mixed embeddedness” into the area, and therefore created an economic cycle at the port.

Al-Hadi port was first built in 2002 and shortly reconstructed in 2006 after its severe destruction caused by the Israeli strikes on Ouzaii during the 33-day war with Hezbollah. It was originally designed to accommodate 75 boats, and further facilities of coffee and repair shops were added during the reconstruction process (Figure 17). Even though the port is a state-governed space, three parties are controlling its activity: firstly, being the most influential, Hezbollah exerts political influence to facilitate informal practices; secondly, the Fishermen Cooperative oversees logistical matters; and, thirdly, the Lebanese army monitors entry and exit to/from the port. In this

52 A more focused paper on a case study of the port is published independently as B. Yassine & H. Al-Harithy, “Refugees ‘Quiet’ Tactics and the Activation of Al-Hadi Port, Ouzaii (Lebanon)”, in M. Fawaz, A. Gharbieh, M. Harb & D. Salame (eds.), *Refugee as City-Makers*, 2nd edn., forthcoming, Beirut, IFI, AUB.

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regard, Mr Jamal Alameh, Head of the Fishermen Cooperative in Ouzaii, explains the limitations of the cooperative's authority in limiting informal practices due to political influences (Alameh, Feb 2018). By law, foreigners are not allowed to work at the port independently from Lebanese managers and without a work permit and a fisherman ticket (تذكرة صياد بحري), which is granted to Lebanese and Palestinians only. However, Syrians were able to infiltrate into the port.

Before 2011, only two Syrian fishermen were working at the port under the supervision of Lebanese managers but without the required legal documentation. They came to Ouzaii from Aleppo and have been at the port for 20 years. After 2011, some of the Syrian refugees who settled in Ouzaii had to leave their professions given the new site's conditions and opportunities. As one form of "quiet encroachment", the two Syrian fishermen offered them free extensive training in fishing skills. By mid 2019, there were 50 Syrians out of a total of 120 fishermen working informally at the port. They were mostly from Aleppo and formerly were not fishermen. One of these fishermen recounted his story in an interview: "I have been here since 2011. My brothers eased my way into the port, trained me, and secured work for me with one of the Lebanese fishermen. I acquired fishing skills almost in a week."<sup>53</sup> The term "brothers" here refers to the two Syrian fishermen who worked at the port before 2011 and had no blood relationship with the fisherman. This manifested the importance of social capital and networks in promoting the "concrete embeddedness" of Syrian refugees into the port and thus the first step of their engagement in the economic cycle.

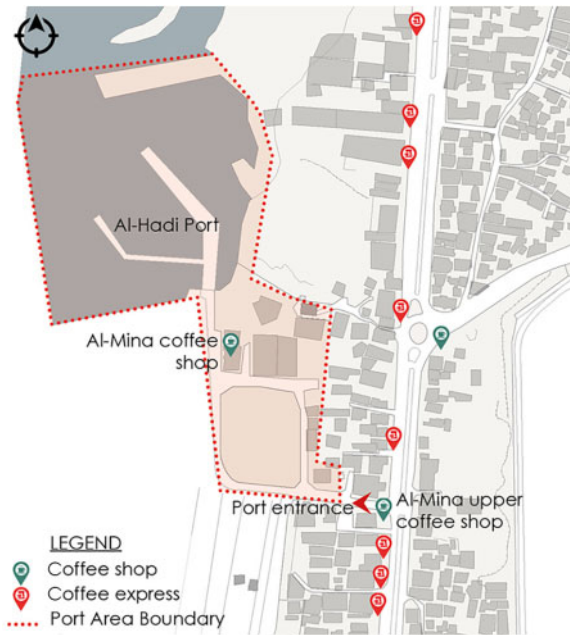
The activities of the port after the Syrian settlements attracted Lebanese investors from outside the profession. After 2011, many retired teachers and military personnel were encouraged, due to the increasing activity of the port after the Syrians, to purchase new boats for mostly Syrian fishermen to manage, given that only Lebanese and Palestinians (with up to 51 per cent shares) could legally own boats in the port. They found that investment in this sector was profitable and, as a result, generated new opportunities and additional money for the port. These complementary partnerships between Lebanese owners, who are legally permitted ownership, and Syrian managers, who are restricted to labour, enhanced the capacity of the port that increased from 75 to 336 boats while the fishing volume more than doubled compared to pre-2011. These partnerships were a "smart" method sought by the Syrians, who were aware of the socio-political specificities of the port, to tactically increase their "abstract embeddedness" and therefore reinforce their economic position at the port.

The interviewed Syrian fisherman explained in this regard how they tactically grasped opportunities to manage the new boats: "Whenever I know that someone is willing to invest in buying a new boat, I inform my friends in need of a job to contact him. We help each other this way" (Syrian Fisherman, 2019). In addition, the Lebanese owner of Al-Mina Café, the only coffee shop within the boundaries of the port since 2011, also asserted that: "The Syrian is very smart — محنتك و حريو —". He learns fast, grasps any opportunity for work, and knows how to manoeuvre quietly."<sup>54</sup>

53 Syrian Fisherman, Interview, Batoul Yassine, Feb. 2019.

54 Owner of Al-Mina Café, Interview, Batoul Yassine, Feb. 2019.

**Figure 18.** Express and coffee shops opening in the port's vicinity. *Source:* Batoul Yassine (Feb 2019).



Another form of the quiet encroachment by the Syrians was their tendency to work two shifts instead of one,<sup>55</sup> which encouraged many Lebanese fishermen to increase their workload as well. Mr Alameh mentioned that this practice contributed to further increasing the port's capital to reach \$180,000 in 2019, the highest in Lebanon.

Another form of increasing the income to the port was its stimulating leisure activities within the port and its vicinity. The development of the port enhanced the productivity of Al-Mina Café; as the owner mentioned: "I have benefitted from the activity in the port. I rely on Syrian fishermen as customers, as well as the visitors of the port."

Many coffee shops opened next to the port after 2011 (Figure 18), some of which were managed and operated by Syrians and opened for 24 hours a day for the fishermen to rest (Figure 19). This commercial activity increased the exposure of the Al-Hadi port to the public. Leisure sea tours are regularly organised to allow visitors to learn about the port and the sea edge. The tours are limited to boats operated by Lebanese fishermen.

55 There are two work shifts in the port, one in the morning (3 am – 9 am) and another in the afternoon (3 pm – 9 pm). Usually, fishermen work only one of the shifts.

**Figure 19.** The upper cafe which opens 24 hours a day. *Source:* Batoul Yassine (Feb 2019).

## 7. CONCLUSION

In Ouzaii, Syrians hosted and supported each other in creating work opportunities and mastering new professions by sharing their skill sets and social networks.<sup>56</sup> They were able to face marginalisation, sustain their livelihoods, and, as a result, directly impact the development of their host environment economically and spatially. This was facilitated by their aspiring and innovative tactics, the time–place frame, and the opportunity structure. As asserted by Kloosterman, “businesses – we say here the entrepreneurial systems – are not started in a socio-economic vacuum but in concrete time-and-place specific contexts”,<sup>57</sup> and thus they are the product of the context and the refugees themselves.

Consequently, Syrian refugees in Ouzaii enforced their “mixed embeddedness” into the informal context of Ouzaii through a set of tactical practices and business strategies. These tactics allowed them to overcome, infiltrate, and adapt to the socio-political challenges of the site. They were able to transform the constraints into work and business opportunities. They formed unintentionally “entrepreneurial systems” that involved not just the Syrians as business owners and labour force, but the Lebanese as well. These systems played a major role in the stimulation of the economy in Ouzaii after years of economic decline prior to 2011, and initiated urban transformation at the spatial level by revitalising spaces such as the streets and the port. This regeneration was based on three pillars: the political party of Hezbollah as the major facilitator for the Syrians’ settlements in Ouzaii and the mediator of emerging socio-economic tensions; the Syrian refugees’ community as the stimulus driving regrowth through their new businesses and labour force, and the market in Ouzaii as

56 Yassine, Al-Harithy & Boano, “Refugees Hosting Other Refugees: Endurance and Maintenance of Care in Ouzaii (Lebanon)”, 14.

57 Kloosterman, “Mixed Embeddedness as a Conceptual Framework for Exploring Immigrant Entrepreneurship”, 1.

a space that had the potential to accommodate new businesses and revive struggling ones, thus satisfying the increasing economic demands. Despite all of this, Syrian refugees were not fully integrated into the community in Ouzaii; however, they were able to negotiate their presence and position themselves within the economic labour market despite the lack of inclusion and integration.

As both theoretical concepts discussed in this article— the “mixed embeddedness” and the “quiet encroachment”— were bound first and foremost by the scholars to “survival”, it is worth pointing out that the concept of entrepreneurial systems formed by the Syrian refugees went beyond the notion of survival to their role in the local economic vitality. This was validated in the analysis of the Syrian businesses opening in Ouzaii and the Syrian labour force at Al-Hadi Port.

On one hand, Syrian refugees as business owners were the major driving force in regenerating the market in Ouzaii, in which its commercial identity was reinforced and its industrial character slightly promoted. Some neighbourhoods’ economic identities were transformed from industrial to commercial and vice versa, inner neighbourhoods that had no economic activity before 2011 acquired vibrant economic activity after 2011, and struggling businesses on the main streets were revived. Through their special communication skills, specialty collectives, and “professional and social capital”, Syrian refugees increased their mixed embeddedness, which made them able to open new businesses in Ouzaii by “tactically” and incrementally combating exclusionary practices and overcoming the socio-political challenges.

On the other hand, the partnerships between the Syrian fishermen and Lebanese boat owners created an economic cycle at the port that expanded beyond its use as a site of transportation and work to become a strong infrastructure that boosted the local economy by attracting investments and enhancing leisure activities that connected Ouzaii to other areas in the vicinity.

Throughout the article, we have demonstrated how informality is practiced and protected within the economic framework through the unintended relationship between Syrian refugees, the Lebanese community, and the Lebanese political party of Hezbollah working towards the regeneration of the economy in Ouzaii that was desperately declining before 2011. The two examples of the port and the neighbourhood streets illustrated how the entrepreneurial systems played a major role in not only the economic vitality but also the social and urban transformation. They reclaimed streets as a vital social space and promoted the role of the port from being solely an economic infrastructure to a more vibrant space for leisure and social activities.