

كسر القوالب Breaking the mold

#Breaking_The_Mold Arab Civil Society Actors and their Quest to Influence Policy-Making

Case Study #9

Country **Lebanon**

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LEBANESE CIVIL SOCIETY ORGANIZATIONS AND THE SPINNEYS WORKERS UNION | Alexi Touma |

The involvement, strategies, and challenges that faced Lebanese civil society organizations in establishing the Spinneys Workers Union

BACKGROUND

For the first time since the end of the civil war, Lebanon witnessed an organic labor movement within a company that broke the traditional mold of co-opted ones¹. In the 1990s, the number of politically controlled unions and federations under the General Confederation of Lebanese Workers Lebanon (CGTL) increased exponentially to allow for significant involvement of political parties in its decision-making process (Bou Khater, 2015). This trend seemed to be coming to a halt with the formation of the Spinneys Workers Union following the 2012 Lebanese Government issued Decree 7426 mandating the increase of the national minimum wage from LL 500,000 (\$333 USD) to LL 675,000 (\$450 USD) (Bou Khater, 2018). Spinneys initially did not comply and instead opted to create its own payment scheme that would adjust working hours and wages for its estimated 1,500 employees to limit any potential added cost. As a result, several employees in the Dbayeh branch started a petition in hopes of pressuring the Spinneys' administration to comply with the government decision². However, Spinneys pressured signatories to withdraw their support for the petition (Shane, 2013).

The actions taken by the company's management motivated those employees to create the Spinneys Workers Union³. The company, in turn, began implementing measures, including termination of employment, in an effort to pressure the founding members of the union to cease their activities⁴.

Soon after, the workers resorted to legal action on the grounds that their employer violated Article 329 of the Lebanese criminal code pertaining to workers' rights. In 2018, the judiciary found Spinneys and its CEO, Michael Wright, guilty of violating their employees' right to freedom of association.

Despite the union's eventual approval by the Ministry of Labor, it is largely inactive since most of its members were terminated from their employment and Spinneys successfully persuaded supporters to leave the union and dissuaded future ones through various unconventional, even aggressive, means⁵.

The issue was framed by the unionists and their allies as a battle for an independent and organic labor movement against the dominant and powerful companies in Lebanon, along with their significant political and economic clout. In addition, this case signifies the dynamics involved in restructuring the clientelist system that has long been present within Spinneys and Lebanon following its neoliberal economic development⁶ (Scala, 2015).

¹Independent unions existed within companies prior to 1975 such as in Ghandour, a Lebanese food production company.

²Samir Tawk. Personal interview.

³The employees came from the Spinneys Dbayeh, Achrafieh, and Jnah branches and did not include managerial staff.

⁴Samir Tawk. Personal interview.

⁵Mohammad Zbeeb. Personal interview.

⁶According to Mohammad Zbeeb, private companies enjoy many privileges due to Lebanon's economic nature and thus Spinneys is not the only company that arbitrarily terminated employees in relation to the wage hike. Other companies include Charcutier Aoun, Bou Khalil, and Monoprix, to name a few.

CIVIL SOCIETY ACTORS' ROLE AND INVOLVEMENT

The primary actors that opposed the policies of Spinneys and its CEO were the Spinneys employees, the Legal Agenda, Lebanese Labor Watch, Al-Akhbar Society and Economics Editor Mohammad Zbeeb, and former Minister of Labor Charbel Nahas. These actors supported Spinneys' employees in forming a union as a means of challenging dominant private sector interests⁷ at the expense of labor workers in post-war Lebanon. The Legal Agenda, an NGO that often champions social and labor rights such as those of migrant domestic workers, provided the legal representation to members of the union throughout their endeavors⁸. The Lebanese Labor Watch, along with the Legal Agenda, advised the employees on how to organize themselves in a union. Mohammad Zbeeb, who was an advisor to the former Minister of Labor Charbel Nahas, used his position at Al-Akhbar to cover the issue in the media and highlight Spinneys' anti-labor policies. In addition, Nahas campaigned heavily for the formation of the union through his network and media appearances⁹; he would go on to be seen as the face of the unions and its efforts.

The idea of the union originated in the Dbayeh branch and later spread to Achrafieh and Jnah, with the first two leading the way. Employees in the Tripoli branch showed interest in joining, pending the outcomes of the initial branches. Had the union been seen as a success, other branches along with the one in Tripoli would have joined in support¹⁰.

The Spinneys Workers Union was a direct product of the individuals who worked at select Spinneys' branches: Samir Tawk, Milad Barakat, and Elie Abi Hanna, among others. The union founders engaged former Minister of Labor Salim Jreissati, as required by the Labor Law of 1946, to approve the formation of a trade union and to investigate the unethical and illegal practices of Spinneys towards its employees¹¹. The union started with 12 board members, but this number was reduced to six after successful efforts by Spinneys and its affiliates to persuade certain members to abandon the union¹². Eventually, the remaining members were either fired, or left the union due to other circumstances imposed on them. Zbeeb believes that the moment the employees submitted the papers at the Ministry of Labor was the moment the union collapsed for reasons elaborated on below.

STRATEGIES AND TACTICS

The petition signed by 150 employees was never submitted formally to the Spinneys administration due to the administration's pressuring of employees to withdraw their signatures. The employees then addressed their concerns with their respective patrons¹³ as was traditionally the case whenever employees needed to solve internal matters. In the case of the minimum wage hike, the patrons refused to aid the employees and instead assisted Spinneys in quelling the issue, and participated in internal negotiations with senior officials and local political figures¹⁴.



As a result, the employees began holding secret meetings to plan and mobilize towards a worker's union. Once they had organized, they approached the Ministry of Labor with an application to form the Spinneys Workers Union; however, the process was far from smooth. The individuals' employment on the application were terminated by Spinneys, resulting in legal battles that led to the December 2018 court ruling, which are still ongoing¹⁵.

Litigation played a vital role in aiding the union members. The Legal Agenda had its request granted to cover union members from being fired while they awaited approval from the minister, a notable precedent for future cases. Spinneys began implementing practices to discourage potential union supporters; they moved a union member from his branch in Dbayeh to one in Jnah, without travel or relocation expenses, and increased his working hours in the hope he would quit or create grounds for his termination. The result of Spinneys' actions led the union members to file a complaint against the company and its CEO for obstructing the right of freedom of association, a civil right protected by Article 329 of the penal code. The legal journey that ensued lasted six years and included the rotation of several judges that presided over the case until a verdict was reached¹⁶.

Union members even participated in direct discussions with Salim Jreissati. According to Samir Tawk, the discussions allowed the minister to convey the pressure being imposed on him from Spinneys and the political figures in support of the company. The minister insisted on resolving the issue while satisfying all parties, but this proposition was rejected by the unionists who insisted the request be approved.

Once officially unionized, employees held two sit-ins in front of the Spinneys branch in Achrafieh, in protests of the management's policies. Unionists faced off against pro-Spinneys protesters who were sent by the company into chanting on the streets; even the pro-Spinneys employees were threatened with termination of employment (Al-Bawaba, 2012).

Pro-union employees set up the NGO Friends of Spinneys Workers in order to assist the union and terminated employees with financial aid¹⁷. According to Samir Tawk, a former Spinneys employee and co-founder¹⁸ of the NGO, Friends of Spinneys Worker raised funds, mostly from private donations, to aid employees that were terminated due to their union work. In addition, members of the NGO were involved in the sit-ins that took place and in raising awareness. Despite the union's inactivity, the NGO remains operational and is working on encouraging current Spinneys employees to reactivate the union and its purpose.

⁷Private sector interests in often go hand-in-hand with political interests in Lebanon.

⁸Karim Nammour. Personal interview.

⁹It is important to note that Charbel Nahas was minister of labor during the time of the issuance of the minimum wage decree and resigned due to political maneuvering that pitted his former political party against his ministry's wage proposal.

¹⁰Mohammad Zbeeb. Personal interview.

¹¹Karim Nammour. Personal interview.

¹²Samir Tawk. Personal interview.

¹³Author of 'Clientelism, Lebanon: Roots and Trends' Ahmad Hamzeh says a patron, also known as a za'im, maintains mutually beneficial support of clientele by providing services in exchange for loyalty and political support. Usually maintains personal allegiance through wealth and political, religious, and geographic affiliation.

¹⁴Michele Scala. Personal interview.

¹⁵Im Karim Nammour. Personal interview.

¹⁶Karim Nammour. Personal interview.

¹⁷The purpose of the NGO was supplementary and was solely meant to assist the union, not replace it.

¹⁸Since Samir Tawk was fired before the formation of the union, he could not be a member and thus assisted in creating the NGO Friends of Spinneys Workers.

INFLUENCING FACTORS, TRANSFORMATIVE MOMENTS OR 'POLICY WINDOWS'

According to Mohammad Zbeeb, Spinneys operated in a manner that made them feel untouchable due to their strong connections with patrons¹⁹. He emphasized, Spinneys, like other companies, did not feel obliged to initially adopt the minimum wage hike and felt they had a free hand in dealing with employees.

Nahas was a significant influence in the mobilization effort. Nahas played a crucial role in raising awareness, motivating the unionists, and lobbying Jreissati to approve the formation of the union²⁰. Nahas, who was replaced by Jreissati, had resigned over disputes in government and his own party pertaining to the minimum wage hike. In addition, Nahas used his network in acquiring private donations for Friends of Spinneys Workers. However, it was argued that his role also had a polarizing affect among Spinneys employees. Some employees were reluctant to support the union because they either believed the former minister was the face of the movement and thus did not relate to the cause, or because they harbored political beliefs or affiliations opposed to his²¹.

Political relationships and the clientelist system were at the forefront in this case. Nahas, along with Elie Hanna and MP Simon Abi Ramia of the Free Patriotic Movement, countered the pro-Spinneys lobbying efforts of Gebran Tawk, Elie Firzli, and Elie Skaff²². Former MP Gebran Tawk, and his son William, who own the land on which Spinneys in Dbayeh is situated, sought the support of former Minister Elie Skaff and current Deputy Speaker of Parliament Elie Firzli in lobbying Jreissati²³ in rejecting the application of the union²⁴. It is important to recall that Jreissati had succeeded Nahas as minister of labor and was influenced by the expectations of supporters within his own bloc. Jreissati had signed the union's approval right before the deadline partly due to the belief that the union would not succeed, but also because he did not want to appear lesser²⁵ than his predecessor in the eyes of his party's supporters²⁶. Ultimately, it was a combination of these factors that led to the approval of the union. The influence of political actors cannot be overlooked in this case.

The media were an essential tool for all sides concerned with this issue. The money Spinneys allocates for advertisements was used as a tool in shaping the coverage of the workers movement²⁷. Many media outlets feared that if they covered the issue or supported the unionists then they would be deprived of essential revenue; this was the case with LBC, OTV, and Al Jadeed. Despite this, Al Akhbar consistently covered the issue and maintained consistent support for the unionists, by directly criticizing Spinneys, its CEO, and Gebran Taouk and his son.

POLICY OUTCOME

In 2019, Judge Rola Sfeir issued a verdict whereby Spinneys, including its parent company, were found to be in violation of Criminal Code 329. The court fined Gray Mackenzie Retail Lebanon SAL, Spinneys' parent company, LL 5 million (3,300\$ USD) and ordered the company and CEO Michael Wright to each pay LL 20 million (13,250\$ USD) to those fired; Wright was also sentenced to one month in prison, or pay a fine of LL 20 million (13,250\$ USD) (Azhari, 2019). The court ruling set a precedent in Lebanon as it was the first time a court ruled that the dismissal of employees after unionizing, a criminal offense²⁸. Other lawsuits are currently ongoing in the labor courts despite the union's current inactivity. Overall, it is important to note the success of the union formation itself and the protection granted by the courts preventing employees being fired while they await their pending union application. The issue remains ongoing as Spinneys and its CEO Michael Wright have appealed the December verdict.

LESSONS LEARNED

- In hindsight, greater discretion and levels of organization between employees and CSOs could have allowed for a more effective mobilization effort due to a potential prevention of obstructions imposed by Spinneys.
- Clientelist systems and political actors played a major role in bringing this case to light along with the actors mentioned in this case. The case clearly exemplifies one aspect of Lebanon's pre- and post-war economy and the influence political actors have in shaping public and private affairs rights as was witnessed in the post-war emaciation of the CGTL.
- Organic labor unions struggle in Lebanon due to their conflict within the neoliberal economic order and the interest of select notables. They are at a high risk of being undermined or emaciated should they not adopt a clearly defined agenda and strategy and partner with the media and CSOs in order to best guarantee the sustainability of movements and manage potential obstacles.

¹⁹Most Spinneys branches are situated on land owned by notables. In exchange for hiring the notable's clientele, Spinneys would assume some form of legal and political cover. This cover allowed the company maximum profit-making capabilities.

²⁰Dr. Charbel Nahas. Personal interview.

²¹Michele Scala. Personal interview.

²²Samir Tawk. Personal interview.

²³Minister of labor at the time and member of the Change and Reform bloc in government.

²⁴The effort by the MP and his son exemplifies the clientelist system in Lebanon. The potential inability to halt the union would have put his patronage system, and thus his influence, in jeopardy.

²⁵Nahas had positioned himself as an advocate of workers' rights.

²⁶Mohammad Zbeeb. Personal interview.

²⁷Karim Nammour. Personal interview.

²⁸Karim Nammour. Personal interview.



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BREAKING THE MOLD PROJECT

In mid- 2018, the "Civil Society Actors and Policymaking in the Arab World" program at IFI, with the support of Open Society Foundations, launched the second round of its extended research project "Arab Civil Society Actors and their Quest to Influence Policy-Making". This project mapped and analyzed the attempts of Arab civil society, in all its orientations, structures, and differences, to influence public policy across a variety of domains. This research produced 92 case studies outlining the role of civil society in impacting political, social, economic, gender, educational, health-related, and environmental policies in ten Arab countries: Lebanon, Syria, Palestine, Jordan, Egypt, Morocco, Tunisia, Yemen, and the Arab Gulf.

Over two dozen researchers and research groups from the above countries participated in this project, which was conducted over a year and a half. The results were reviewed by an advisory committee for methodology to ensure alignment with the project's goals, and were presented by the researchers in various themed sessions over the course of the two days.








THE CIVIL SOCIETY ACTORS AND POLICY-MAKING PROGRAM

at the Issam Fares Institute for Public Policy and International Affairs at AUB, examines the role that civil society actors play in shaping and making policy. Specifically, the program focuses on the following aspects: how civil society actors organize themselves into advocacy coalitions; how policy networks are formed to influence policy processes and outcomes; and how policy research institutes contribute their research into policy. The program also explores the media's expanding role, which some claim has catalyzed the Uprisings throughout the region.

THE ISSAM FARES INSTITUTE FOR PUBLIC POLICY AND INTERNATIONAL AFFAIRS AT THE AMERICAN UNIVERSITY OF BEIRUT

The Issam Fares Institute for Public Policy and International Affairs (IFI) at the American University of Beirut (AUB) is an independent, research-based, policy oriented institute. It aims to initiate and develop policy-relevant research in and about the Arab region. The Institute is committed to expanding and deepening knowledge production and to creating a space for the interdisciplinary exchange of ideas among researchers, civil society actors, and policy makers.

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