Lessons from Lebanon: Political Risk Management Training for Local NGOs

Insight paper by Harmattan Risk

May 2024

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Context and introduction

Political risk is usually associated with multinational companies, and political risk management is generally taken as how companies sustain performance and organisational integrity in the face of challenging global dynamics and country-level pressures. However, through previous work with NGOs we have found that political risk thinking and approaches are highly relevant to international NGOs, and we had a sense that it would also be relevant to national / local NGOs based in complex environments. In mid-2023 we began playing with the idea of delivering a pro bono political risk management training course to local NGOs in a complex environment, both for their learning and to learn how to better tailor approaches for local actors.

Lebanon emerged as an appropriate location. It is a challenging and complex environment for NGOs, but at the same time it is not authoritarian and NGOs are not institutionally blocked from doing genuine and legitimate work. Thus, they have enough freedom to manoeuvre such that political risk management could mean more than just complying with government rules and political sensitivities (in more authoritarian environments, when NGOs do seek to enact a genuine agenda they can be smothered by red tape or simply banned). The same balance between complexity and relative openness exists to varying degrees in a sizeable swathe of countries in all regions, and hence learning points herein are not just specific to Lebanon or the Middle East.

A Lebanese NGO, Rescue Me, found the training proposition to be interesting and became Harmattan's Lebanese collaborator. Among other initiatives aimed at mental health, gender rights and community development, Rescue Me focuses on the application of social work towards the prevention of extremism in vulnerable communities, and the rehabilitation of people convicted of terrorism-related offenses. Rescue Me provided guidance for the contextualisation of the training, recruited course participants, and assisted in training delivery through ad hoc translation and the provision of contextualised examples to help illustrate specific learning points.

The shaping of the idea of the course began prior to the most recent conflict in Gaza (from October 2023) which led to an intensification of tensions between Hezbollah and Israel. This was a risk factor but it eventually appeared that neither side was about to press for open conflict. However, two nights prior to departure to Lebanon, Beirut's airport, along with other ones in the region, was closed because of the Iranian drone attack on Israel. While flights resumed, it was a poignant reminder of the problematic circumstances facing Lebanon, which include not just regional volatility, but an economic crisis brought about from fragmented and generally weak national governance, and intense socio-economic and demographic pressures because of the Syrian refugee crisis.

The course was delivered to 16 participants on 19-20 April in Beirut. Two full days was deemed to be all the time that participants could afford away from their core work, and it proved to be sufficient for a reasonably solid introduction to political risk management. In terms of functional expertise, most participants were social workers. In terms of the types of organisation they represented or worked in, most were NGOs, but a few people were with the civil service and in the private sector. In prior discussions the point was made that if participants were to feel comfortable sharing about themselves in a course setting, they needed to share some basic similarities in terms of perspective. Thus, all participants looked forward to the day when Lebanese would mainly identify with each other as such, instead of on a communal basis, and to the day when Lebanon's government was not rendered nearly dysfunctional by sectarian splits and the continued prevalence of a small number of entrenched political factions. In this sense, participants could be characterised as progressive on political level.

This paper is aimed at two audiences. One is the NGO community, including donors, international NGOs and national / local NGOs. They can take note of the potential applicability of political risk thinking and management to development, humanitarian, social justice and social working organisations and operations. Another is the political risk community, including consultants and advisors in political risk and adjacent fields. They can consider how their expertise could be applied not just to the "usual suspects" in international business, but also at a grassroots level to help civil society organisations to sustain themselves, and thereby sustain their beneficial effect. The objective of the paper is to share learning which could be relevant for both audiences.

The paper is organised as follows. First we discuss the actual contents of the course for a sense of the focus of the training. This is followed by the perceived relevance of the course and its main elements. Next we consider the instruction, and in particular what worked well and what could have been better, as lessons learned for future reference. Then we consider some of learning points that emerged from interactive discussion, with a particular focus on lessons which could be useful to

NGOs in other complex environments. Finally, we conclude with some summary points on political risk and grassroots, local organisations. The points presented herein are top-level only, since mutual discretion was a necessary course rule and applies to this paper. The "source material" is the instructor's own observations, discussions, notes and subsequent ruminations, and also a brief participant survey conducted approximately 10 days after the course.

The course – focus and framework

The course (informally but aptly named by Rescue Me as "Protecting NGOs from Ugly Politics") was based on an existing repertoire of political risk intelligence and planning material, and on a previous course for NGOs. There were two main customisations. One was tailoring it for the Lebanese context, with the important caveat that this could only be general, since knowledge of that context rested with course participants. Still, a general prior knowledge of the country and the situation of NGOs and related organisations helped to focus on relevant themes and issues. The other was a degree of streamlining, since most participants were from small organisations and there were limited resources to conduct detailed assessments as a part of their own planning activities (i.e. there was no specialist department to do this while others focused on core activities). They already knew the national and local context in considerable detail, thus certain research and intelligence aspects of the broader process could be truncated. However, they were also active participants in their environment, and hence while it was feasible to truncate research methods, points on avoiding bias and testing assumptions were still required and proved to be well received.

Conceptual learning preceded the framework. That focused on looking at political risk as a coherent problem set driven by dynamics within a socio-political system, as opposed to seemingly random pressures. It defined specific assets at stake (people, reputation, performance, with the latter as a factor of continuity and control). It discussed how these could be affected by political actions, interests and trends. And it introduced political risk management, as the adaptive process from how to target learning, to research and analysis, to planning, to internal and external actions, back to targeting. This broadly follows the classic intelligence cycle, although it was noted that intelligence and planning is a general thought process which can be applied to a range of contexts, concerns and uncertainties.

The focus of the framework element of the course was the baseline process, which identified relevant organisational attributes and character traits, critical factors and related challenges, potential directions of change in the political environment and their implications, actors and stakeholders who could affect the organisation based on their reading of how the organisation might affect them, and planning on the basis of those findings. This is baseline in that if this was the first

occasion when an organisation was conducting political risk thinking, the organisation needed a reading of potential issues and stakeholders across the board. From there it could focus on priorities for follow up and monitoring, and would re-do the baseline as it became stale or outdated.

The training used a hypothetical example, a foreign NGO in Algeria, for the initial illustration of each step in the process. The idea was that Algeria would provide a useful comparison to Lebanon, in that there are similar issues but it was distinct enough to pull participants away from a more parochial national perspective to be able to see how parts of a political system work in general. It was also intended to suggest that while Lebanon presents complexities, the country is not alone in being challenging for NGOs, and indeed has some advantages compared to other countries in the wider region, particularly those with more authoritarian systems.

Practice and experience with the framework came from case team exercises. Three participants volunteered for their organisations to be "customers" of the exercise, and each had a team to work with. Case work occurred in each step except for scenario analysis, and case teams presented their results to each other at each stage. This was actually where much experiential knowledge was shared. There was a planned section at the end of the course for group discussions on lessons learned from dealing with actual challenges. Regrettably, there proved to be little time left for that, but by the time the course got to that point there had already been considerable shared learning.

There was a supplementary module on threat assessment and personnel security planning. This was intended as a back up in case some participants could stay longer into the evening, but it was actually used on the morning of the second day. Because of traffic problems several people were going to be late, and it was better to apply the back up module than for people to miss steps in the core process.

Feedback on course relevance and the relevance of different stages

Live feedback during the course and just following it gave the instructor the sense that most participants found the topic and course to be very relevant to their context and concerns. Survey responses (there were only eight completed surveys so the results can only be broadly indicative) backed this up but with some minor variations, and indeed one participant found the course to not be particularly relevant.

Based on the intensity of discussion and live feedback, the instructor had felt that participants regarded the section on stakeholder analysis as far more relevant than other stages. Participants seemed to value the idea of being able to understand and apply relationships to actually counter-balance potentially hostile interests and to gain support in reducing and managing challenges. The

survey results confirmed that stakeholder analysis was the most relevant section, but surprisingly, given the participants' deep existing knowledge of the political landscape, the section on environment analysis (in the survey this was combined with scenario analysis) was a close second. Perhaps although the group had political insights, the idea of structuring that knowledge for a coherent perspective of the political terrain was seen as valuable in itself. The supplementary module on threat assessment and security was rated the same as environment analysis.

Note that the survey confined itself to asking about the above sections, since they were the ones which, in future renditions, could be adjusted in terms of relative emphasis. The conceptual introduction to political risk, the initial step on context and intelligence targeting, and the final step of planning, are essential for any introduction to political risk management.

Considerations in instruction

Both live feedback and survey results indicated general satisfaction with the actual instruction, in other words the knowledge and impact of the instructor. Two survey questions covered this subject. One asked how clear and understandable the instructor was. Although feedback was generally positive, there was some indication that the instructor was not clear to everyone, and that some people had a hard time hearing what was said (note, a u-shaped room layout would have been preferrable to the narrow rectangular room and table we used). The second question was about the instructor's cultural awareness and sensitivity. Three replies were in the low to okay range, and five in the good to very good range. One happenstance of the course timing was that it was initially envisioned as occurring in the instructor's second week in Lebanon, but because of participant availability was moved to the first week. A week plus on site prior to the course might have helped with cultural awareness and sensitivity. Given that the instructor was last in Lebanon in 2003, and had not actually lived in an Arab country for decades, at least some perception of cultural obtuseness was probably inevitable, but in the future could be mitigated by more on-site time and interaction prior to course delivery.

There are a few useful general lessons to draw from the course instruction.

- As mentioned earlier, the end of the course was supposed to be a discussion about participants' actual experiences with political risk and shared mutual lessons. This actually occurred informally in the case work and there was no time left over for an explicit section on it. In hindsight it would have been better to assume this and encourage it rather than clock-watch and worry about timing.

- Although Rescue Me helped in the session, we did not plan our collaboration much beforehand. It would have been better if there had been an explicit “train the trainer” session prior to the course. As it stood, Rescue Me was very adroit in absorbing the material on the fly and interpreting people’s questions about it, but their role would have been easier with more prior familiarity.
- There had been some debate about whether or not to print the full set of course materials for participants to have during instruction (the plan was to have a case workbook for each person and few course printouts as “reference books”). We ended up printing all materials for each person. As it turned out, because of nation-wide power shortages the power, and therefore the projector, periodically cut out and we ended up relying on the printouts. This is something to bear in mind in contexts where the infrastructure is unreliable, or simply when the IT on hand could be problematic.
- In a sensitive political context, trust needs to be established early in the course. Early on as the instructor was about to move onto the main material, Rescue Me suggested that a bit more informal self-introduction would help people to feel more at ease. Additionally, while there was no evident problem around this, in a post-conflict (and still partly conflict) environment, people on a course might have suffered past trauma and instruction needs to be attuned to the emotional mood.
- Having the supplementary module on threat assessment and security turned out to be a good move, since it was something we could plug in to cover a temporary lull in attendance. Traffic in many emerging market cities is notorious, sometimes not helped by security checkpoints. Without the extra material, the only option would have been to forge on with main framework, creating a gap in the flow of learning for several people.
- Time margin is important. In this instance, even though it initially seemed like there was more than enough time for all stages, it turned out to be just enough time. Margin not only allows for more nuance, but also for valuable discussion between participants without having to, as mentioned earlier, watch the clock. If there is time left over and some participants want to leave upon completion of the day’s work, then a supplementary module can be used with those who can stay until the planned quitting time, or even later.

In terms of learning effect, at the end of the course one participant gave a very coherent summary of the learning and showed a very keen grasp of the material, to the point to which some “train the trainer” seemed to have actually inadvertently occurred. In the survey, one question was about participant confidence with being able to run a political risk workshop for their colleagues. Five people felt a certain lack of confidence but still thought they could get some useful results, one

person felt quite confident, and two felt that they could actually teach the material within their organisations. The last finding was a pleasant surprise, and suggested that there can be a fine line between teaching people how to do something for themselves, and empowering them to lead and teach it within their organisation. A possibility for future renditions is to have an optional third, and perhaps fourth, day for people interested in explicitly crossing that line.

The final survey question was about participants' overall experience in the course. Six felt it was a good experience, and two felt it was a very good experience (thankfully no one ticked the box that said "I wish I did not go"). That obviously indicates room for improvement, although with new subjects there can be a certain inevitable drudgery factor if it goes beyond just thematic discussion and mutual learning.

Before concluding this section, a noteworthy point was that the supplementary threat assessment and security module led to the question, "Could this be applied to me, as an individual?" It should be noted that all course participants were women. Compared to other countries in the region with more strongly patriarchal cultures and attitudes, Lebanon does not have a strong tendency of gender discrimination or misogyny, but both exist and can multiply suspicious or hostile reactions to individuals involved in NGO and related work which can challenge a status quo. Several people had experienced threats based on their work, in addition to a periodic sense of general insecurity. Indeed, the general thought process in the supplementary module is similar to the non-combat elements of personal self-defence, and in the future it could be valuable to extend this module to personal security awareness and risk mitigation. The discussion also touched on physical self defence, and the importance of legitimate and ethical instruction if anyone sought such training.

Applicable shared learning

Discussion during the course highlighted issues faced, as well as lessons learned in addressing these and in managing political risk in general. Again, discretion was a course rule and this section can only provide a top-level summary, but hopefully these will be instructive for NGOs in other complex contexts.

Some of the issues encountered include the following.

- Pressure by political parties and informal / traditional politicos within a given communal faction to align NGO activity with their imperative of sustaining status in their given constituencies – several if not most political parties in Lebanon have their own NGO-like civic associations which often do good work but primarily in the interests of sustaining the party's influence, and when an independent NGO provides value to the same communities, it can

challenge that influence, and lead to pressure on the independent NGO to either curtail activities or put their work under the party's umbrella.

- A participant in the civil service mentioned factionalism in government as an impediment to effective programme implementation, and generally as a source of considerable anxiety for civil servants trying to do their jobs to a professional standard.
- Corruption pressure during bureaucratic interaction, although participants did not dwell on this as a major issue.
- Arbitrary enforcement or application of registration and other permit processes, and delays and confusion associated with this. Although not explicitly articulated during the course, it seems likely that some bureaucratic issues would be orchestrated by political-sectarian factions wary of an NGO's effect on their status, or the status quo in general (see the first issue).
- Security issues, including attempts at intimidation (see the first issue), exposure to conflict dynamics, and in some cases even just because of a person's perceived communal or traditional affiliations.
- The need for political support to help deal with these and other issues, while balancing this with the imperative of independence and neutrality (we will return to this important point).
- Donor fatigue and an emphasis on humanitarian crises, which risks leaving development and social justice NGOs in the lurch when aid priorities change or when there is a spike in an ongoing conflict or refugee crisis.
- The economic and banking crisis affects all Lebanese aside from a narrow elite, and the participants' organisations were no exception. The crisis makes it risky to bank funds and hard to remain liquid. This was not mentioned as a political risk, yet ultimately the roots of the crisis lie in the factionalised national political system, and the resulting policy inertia and inability to agree on required reforms.

Along with problematic issues, there was a significant positive finding, and a couple of related observations that the author brings to the table. When asked if there were political figures and senior officials with a genuine interest in non-partisan socio-economic progress and social justice, the reply was yes, there are, and they are often willing to lend independent NGOs a hand. This aligns with the author's wider observation that in almost any political system, however factionalised or corrupt, there are usually at least a few champions of rational, equitable development (or in the case of business, of clean and legitimate foreign direct investment), and it can be possible to forge relationships with such elements to help navigate the political terrain. Another observation, made early in the course, was that Lebanon was not an authoritarian country led by a strongman regime or

clique, and as such it was possible to manoeuvre in and around politics without constantly running up against a paranoid secret police and other regime elements. In several countries in the MENA region, the regime itself can be the main source of political risk to NGOs.

The discussion drew out a number of approaches to managing political risk, and we only summarise a few general lessons here which might also be applicable to contexts beyond just Lebanon.

- A high public profile can be beneficial because it makes political actors think twice about deliberately impeding an NGO or related organisation or harming them in other ways. The instructor suggested that a low profile might also sometimes be important, especially in periods of unusually high political tension.
- Collaboration and networking is a very significant value to NGOs. They benefit from sharing supportive political contacts (see above on the supportive attitude of some political actors), lessons about how to handle different kinds of hassles or problems, and insights on relevant political dynamics.
- Diversifying funding sources – several participants mentioned that they had actually managed to increase private donor funding among the Lebanese diaspora and even foreign societies, thereby offsetting an overreliance on sometimes capricious donor aid. Research ahead of the course had indicated that private NGO funding in and to Lebanon was becoming hard to find, but evidently this resource has not dried up.
- Knowing the laws behind permits and registration actually puts an NGO ahead of the game compared to bureaucrats who deal with applications, and this knowledge can be used to guide (and to some degree embarrass) bureaucrats towards performing their legitimate function, albeit often slowly. In this vein, persistence can pay off, not just in learning laws but in some trial and error in applications and dealing with the bureaucracy.
- Extending from the above, there is an opportunity to actually change laws through collaboration with supportive parliamentarians, towards creating a less constraining legal environment. Small NGOs have had some success in this respect, starting with supporters who then work with their own personal networks in other parties. This goes back to the point about a somewhat positive outlook on the commitment of a proportion of political actors to genuine development, and because Lebanon is not an authoritarian country ruled by a single clique, there are avenues into the system to try to effect change.
- Crisis management is very relationship-based, meaning that once a crisis ensues, activating a chain of supportive contacts is important to identifying the source of the threat or issue, and ultimately getting people out of harm's way and safe. While not many participants had faced serious crises, such as a kidnapping, when asked how they would respond, the consensus

was to reach for a phone as quickly as possible to start the appropriate chain of communication and support, and knowing whom to start with in this sequence was important. The instructor stressed the need for ongoing testing, practice and improvement.

Course discussion also touched on NGOs' values, and how these can be beneficial in terms of a reputation for altruism and political neutrality, but also potentially problematic if over-stressed without regard to other values in the socio-political system. With Lebanon as a case in point, while there is some blatant venality and warlordism, many political actors and groups, just like most people, believe that they have a just cause and are morally right. If an NGO wears its values like a flag, it can come across as abrasive and condescending, thereby increasing friction with other sets of values. The question is how far one can mitigate such friction without effectively ditching one's core values. Related to this is the fact that an NGO's values can be appealing to some political interests who might be disappointed and less inclined to assist an NGO if it seems to curtailing its value identity. There are difficult balances to consider and manage.

On a broader point, most participants were very interested in the notion, articulated in stakeholder analysis, of strategically managing relationships for support with challenges and to deter, or buffer their organisations from, potentially hostile or predatory interests. This held some promise of being able to manage sources of political support without becoming over-reliant on one or a few political friends. This bears some elaboration.

Even in highly institutionalised countries, relationships are important, and in Lebanon they are fundamental to organisational political risk management.

But there is an important caveat. Political relationships can make life a lot easier, but they can also drag an NGO into a political orbit and force it to compromise on principles. Once this happens, the next step is possibly becoming a part of a party "machine" or apparatus, in other words the NGO transmutes to party civic or welfare association. Such an organisation can still do good work, but it is then under political control. Thus, a critical balancing act for NGOs in Lebanon is between neutrality and independence, and political support. This is not an impossible balancing act by any means, but it requires ongoing stakeholder analysis and navigation, and importantly, self-awareness and critical self-scrutiny.

While this section covered what NGOs have experienced and how they manage issues, the point of the course was to enable more systematic thinking about political risk management, and hopefully the course will open up more options and avenues towards sustaining organisational safety, integrity and performance.

Political risk and grassroots / local organisations

Returning to the initial point in the introduction, “political risk” usually brings to mind oil companies operating in difficult places, or banks trying to balance risk and reward across an international portfolio. More broadly, it is mainly associated with organisations foreign to their operating environments or operating across multiple countries and thereby exposed to the vagaries of geopolitical rifts and regional tensions. Political risk analysis is often seen as akin to sticking pins on a map and contemplating significant political shifts, and political risk management as high level bargaining and hedging.

Even for an international company undertaking a foreign operation, the above conceptualisation is highly misleading. In practice, political risk management is about managing the fit between an organisation and its socio-political ecosystem, and this can become a very local and nuanced endeavour. Any company which has managed operations on the ground in complex environments knows this, and knows that political risk management extends right down to the question of whom a manager drinks tea with as part of their daily local diplomatic rounds.

It is not a stretch by any means that political risk thinking is highly relevant to grassroots local organisations in complex environments. It does need adaptation, and specifically it needs much more emphasis on the “micro” side to be relevant. But although learning from this course indicates opportunities for further adaptation, by and large political risk thinking does not need a new formulation to be relevant and useful. Local organisations face many of the same issues that international organisations face when operating overseas. The main difference is they usually already know the landscape very well, and they do not have the option of leaving if things become too challenging.

Both sets of audiences can bear this in mind. Donors, I-NGOs and local / national ones can be aware that NGOs and related organisations can significantly benefit from an understanding of political risk and political risk management. Advisors and consultants, on the other hand, can note that their expertise, albeit with some adaptation and contextualisation, is applicable to grassroots organisations, and for realistic fees or simply for the learning and satisfaction, they can make a significant contribution to the resilience of organisations and hence support their beneficial impact. In summary, then, the broad Lesson from Lebanon is that political risk is not just about international business, and the concept can effectively apply well beyond the “usual suspects”.