



Graffiti in downtown Beirut. Photo credit: Pablo Tosco/Oxfam 2021.

# THE MAGIC POTION OF AUSTERITY AND POVERTY ALLEVIATION

Narratives of political capture and inequality in the Middle East and North Africa

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Dominant narratives promoting economic growth at the expense of state institutions and basic social services have long underpinned a neoliberal model of spiralling debt and austerity in the MENA region. This exacerbates political capture and inequality and takes shape in an environment of media concentration and shrinking civic space. It is important for change movements to understand dominant narratives in order to challenge and shift them. With the right tools, civil society organizations, activists, influencers and alternative media can start changing the myths and beliefs which frame the socio-economic debate and predetermine which policy options are accepted as possible and legitimate, and which are not.

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# EXECUTIVE SUMMARY

For decades, countries in the Middle East and North Africa (MENA) region have incurred high debt and spiralling austerity. The price for ensuring state solvency towards foreign creditors has been severe austerity measures and regressive taxation, leaving the most vulnerable people to shoulder the financial burden and millions without access to basic services or social protection. The MENA region is the only region in the world where extreme poverty has increased during the past decade. This harsh reality has been met with poverty alleviation programmes, rather than universal social protection that is considered too costly.

The dominant narratives behind this neoliberal model of austerity and private sector growth come at the expense of a shrinking public sector. They are particularly advanced by IMF programmes in countries such as Egypt, Jordan and Tunisia. This model appears to reinforce existing power relations within countries, leading to further accumulation of power and resources in the hands of the few. The MENA region is one of the most unequal in the world, with 37 billionaires owning as much wealth as the poorest half of the adult population.<sup>1</sup>

Dominant narratives are a prevailing discourse serving an ideology that favours one social group. Ideological frameworks allow elites to impact the political process and the narrative by ensuring ideas which legitimize a public policy that works in their favour are generally accepted. They set a storytelling framework – a ‘regime of truth’ – that determines what kind of discourse is accepted as true, and what kind of people or information sources are accepted as authority figures on that truth. Narratives are an instrument of power.

It is important not only to understand dominant narratives but to challenge and shift them. With the right tools, change movements can introduce new rules of truth legitimation into public discourse and the collective psyche. To start shifting the narrative, it is important to understand what dominant narratives are built with and how they are shaped.

## THE DOMINANT NARRATIVE: LET THE PRIVATE SECTOR HANDLE IT

The dominant economic narrative in the MENA region promotes austerity and private investment as a driver of economic growth. It is based on simple messages that are easily relayed by mainstream media. Civil society organizations (CSOs) from across the region perceive this narrative as one that reduces class consciousness and blames underprivileged factions of society for economic crises. It praises individual endeavours with a focus on meritocracy, dismissing the role of structural inequalities and cultural capital, and it breeds feelings of fear and loss of hope.

This narrative relies on a set of arguments and beliefs which determine the frames of policy debate. It maintains that there is no alternative to austerity due to high debt-to-GDP ratios. It paints the state as inherently corrupt and bad at doing business, while promoting private-sector-led growth and job creation as the solution, coupled with poverty alleviation measures. It argues that the public deficit is caused by an oversized and corrupt public sector (moving public attention away from the true fiscal burden caused by debt servicing); that the size of debt does not matter, but what matters is the size of the economy; and that taxes on income and wealth will chase away investors, so it is better to impose taxes on consumption.

The IMF plays a significant role in shaping these dominant narratives, whether through its contribution to global economic thought or through its more specific lending conditions and policy advice to countries. There has been a recent shift in the IMF’s stance towards recognizing that neoliberal policies have

contributed to a growing divide between rich and poor people. But this shift is yet to be operationalized in the work of the IMF at the country level, which remains to a large extent rooted in the classic neoliberal narrative.

## A CAPTURED DISCOURSE: MEDIA CONCENTRATION AND CIVIC SPACE

Media ownership and advertising play a significant role in amplifying dominant narratives. There is a high concentration of media ownership and political affiliation in countries such as Lebanon, Egypt, Tunisia and Morocco, and this reflects on the political and socio-economic content found in mainstream media.

Governments in the MENA region also use other tools of power to ensure that one discourse prevails in society, such as exercising political control over trade unions. This falls within a limited civic space environment, which in itself is an indicator of government dominance over public discourse in most countries of the region. The CIVICUS Monitor rates national civic space in Egypt as 'Closed' and in Jordan, Lebanon, Morocco and Tunisia as 'Obstructed'.<sup>2</sup>

## TIME IS UP! RECLAIMING THE NARRATIVE

Within this context of shrinking civic space and elite dominance over mainstream media, CSOs, activists, influencers and alternative media strive to fill an important gap in public discourse and are constantly reflecting on how to influence a collective psyche shaped by decades of political capture. Working on narrative change means working on changing the prevailing truth regime, as well as people's values, myths and beliefs, and everyday thinking, which frame the socio-economic debate and predetermine which policy options are accepted as possible and legitimate, and which are not.

**The first step in a narrative shift is to deconstruct the dominant narrative.** This includes understanding the role it plays in political capture and unveiling the interest networks that benefit from it, analysing the media and discourse tools that are used to convey this narrative, and debunking the arguments advanced in its favour.

**The second is to work on reclaiming the narrative by building a new discourse.** A strong counter-narrative can be built when the work on narrative shift goes beyond the mere deconstruction of the dominant narrative to promoting a different discourse and different frame of thought. This consists of a long-term effort to change the culture and set the ground for a new mentality – a new social contract with a new perspective on socio-economic rights, as explained below.

- **Building a new discourse.** This means testing new frames and identifying clear new messages; building a new vocabulary (expressions, buzzwords) for a new narrative which speaks to the public imagination and creates a new field of possibilities in the collective psyche; harmonizing the general discourse among activists, movements and organizations; and identifying the main target audience and the main influencing voices to carry the message.
- **Challenging truth regimes and widening the realm of the possible.** This means finding a strong emotional hook that can help people internalize the new narrative – for instance, by linking macro-economic issues to how they manifest in people's daily lived experiences. This can be done through alliances with alternative media and journalists. It is also important to reduce fear of change and fear of the unknown, and create a strong, credible belief that change is possible.
- **Statistics.** It is essential to develop a common position on multi-dimensional, intersectional inequality indicators and statistical methodology and push for their adoption by decision makers.

**The third step is to work on creating an enabling environment for structural, transformative change.** This entails an effort to build true social counter-powers and create cracks in the system that will incrementally allow counter-narratives to reach the wider public and make a difference.

- ***Walk the talk: develop a field presence that matters***, by building strong grassroots efforts which not only carry out the message but also apply at a small scale the values of a fair and equitable socio-economic model.
- ***Building narratives across borders***. Work on shifting the narrative can benefit from regional and international networks, coalitions and campaigns that not only seek to mobilize international public opinion on issues of debt and austerity in low- and middle-income countries (LMICs) countries, but go beyond this to find common narratives that unite people from the global South and North.

# NOTES

1 ESCWA. (2020). *A Solidarity Tax to Address the Impact of COVID-19 on Poverty in the Arab Region*.  
[https://archive.unescwa.org/sites/www.unescwa.org/files/20-00187\\_covid-19-policy-brief-en.pdf](https://archive.unescwa.org/sites/www.unescwa.org/files/20-00187_covid-19-policy-brief-en.pdf)

2 CIVICUS Monitor. (2021). *National Civic Space Ratings: 42 rated as Open, 40 rating as Narrowed, 46 rated as Obstructed, 45 rated as Repressed & 23 rated as Closed*.

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