



QUESTIONS OF DESIGN



Measuring the economic impact of design

Design is like Lebanese politics. These days, both are somehow involved in everything. And like good policy making, a dose of good design is needed in every nook and cranny of the Lebanese economy.

As opposed to most things political, however, stakeholders in design since 2010 have made valiant efforts to nurture an ecosystem of “design made in Lebanon.” Dedicated tertiary education programs have been developed on both the undergraduate and graduate levels, with recent additions being a Masters in Global Design at Balamand University’s Académie Libanaise Des Beaux-Arts (ALBA) and a Bachelors in Fashion Design at the Lebanese American University.

With the creation some six years ago of the non-profit duopoly of the MENA Design Research Center (MDRC) and the annual Beirut Design Week (BDW) — brainchildren of designer Doreen Toutikian and her collaborators — design found a non-profit institutional base. Also in the last few years, international support for creative industries in Lebanon has helped pour some European aid money into the design sector’s growth, with the European Union, notably Italy, sponsoring programs, projects, and exhibitions such as design training for jewelers in Beirut and furniture makers in Tripoli, or the Medneta program with an overall \$200 million budget aimed at supporting creativity in the arts, crafts, and design in urban communities around the Mediterranean Basin. But how, and how much, does design contribute to the Lebanese economy in measurable form, i.e. in dollars and cents?

The appreciation of local design has improved by leaps and bounds, and today, is very different from 15 to 20 years ago, says BDW founder-director Toutikian. As evidence, she cites how sophisticated young people flock to local designs, as opposed to how in the 1990s, Lebanese fashion-conscious consumers did not want to wear local products, to the point that Hamra boutiques would pass domestically made ready-wear as Italian imports to be able to sell them. When it comes to economic quantification, however, the picture is neither clear nor compelling. Based on research that MDRC undertook in recent years, Toutikian says that the advertising and hospitality sectors — both with players that created winning stories on national and regional terms — show the largest integration of design in their industries. Hard numbers that would measure the value of design content in these two sectors have not been

compiled, she concedes. Moreover, she says that awareness of design in the industrial and business community is practically nonexistent, and that the overall contribution of design to GDP is in the low single digits. “When it comes to fashion design industry or furniture or product design industry, [the contribution to GDP] is minute.”

Other sources are also not of much help. A “MENA Design Outlook” report published in 2015 by an international consultancy under apparent commission of the UAE-based state-affiliated company that hosts the Dubai Design District (d3) puts the total value of MENA design markets at about \$100 billion in 2014, with a projection that this will rise to just under \$148 billion by 2019. Lebanon’s share of the \$100 billion 2014 market is given in the report as \$1.7 billion, which would indicate that im-

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ported and domestic design together account for just under 4 percent of the Lebanese GDP.

However, the report characterizes the majority of the design markets in MENA — in cases like fashion design in the Gulf up to 80 percent of market volume — as being fed by “imported design.” Under the report’s assumption that “locally produced design goods and services account for approximately 35 percent of the total market size” for design, “design made in Lebanon” would contribute about 1.4 percent to GDP.

DESIGN STANDARDS

While saying that the United Arab Emirates and Saudi Arabia account for around 50 percent of regional design market volume, the report actually covers only three countries — Qatar, Egypt, and Lebanon — besides the UAE and Saudi Arabia. The report, which is also limited by its focus on sectors that may not play equal roles across the entire MENA, appears indeed to be the first of its kind in the region, but it leaves readers not only with an impression of much guesswork on the economic numbers in the various national design markets, it also admits that its criteria for consideration of design sectors in the Middle East and North Africa cannot be seen as conclusive. “While there is a growing consensus globally on the need to define, and classify the design sector, so it can be standardized, there is

minimal coordination on an international scale as to what segments are included in the sector and how to account for their economic value. At present, there is no common framework or classification for the design sector across the MENA region,” it says.

NEW DEFINITIONS

As the economic numbers for design markets and industries in the Middle East remain foggy, local stakeholders widely agree that Lebanon and other Arab countries are still in early phases of economically measurable design appreciation — a sort of pre-economic stage. This notwithstanding, they are painting the future with general brightness, albeit in a palette of varying colors. Toutikian perceives great potential for the Lebanese economy from design, if it is considered in a more global and holistic sense of design in technology and service. “I think there is no such thing as an economy without design. Everything is based on design, whether a space, a product, a service of any kind, or a business model. Design is something that no one in economy can live without, even if it is invisible,” she says.

“I don’t think we have a design identity now. Without discussing for the moment if we need a design identity in Lebanon, we are in the [process of] making one. I don’t know what the effect will be on the economy,” says Yasmine Nachabe Taan, chair of the Department of Design at LAU’s School of Architecture and Design.

Lee Frederix, an American designer who established himself in Lebanon several years ago and has recently been appointed as interim chair of the Department of Arts and Design (as Taan is slated for a sabbatical), sees Lebanon as a regional design hub — even if this is in the sense that a one-eyed person is king among the blind. In his opinion, Lebanon can be some sort of incubator for design thinking and education in the Middle East, but the path he describes does not necessarily sound quick or simple. Lebanon’s historically fragmented culture is the substance of “what Lebanese design is, because that is what the whole country is,” Frederix tells EXECUTIVE. In this context, he favors organic development in which a “Lebanese design” direction would be the outcome, if design departments, like the one in LAU, do their job to produce “educated, creative thinkers, who go into design fields.” Noting that art from the region was rewarded with a ballooning of interest (and prices) in the past few years, Frederix regards a similar potential for Lebanese design because of “the trendiness of all things from this region in the

West.” While a fleeting phenomenon, he says that fashion writers in Paris and bloggers in New York “are obsessed with anything that is coming out of the Middle East.”

Taan similarly sees many Lebanese designers’ most promising path to success in proving themselves in international markets before tackling domestic performance. “The Lebanese designer has to go abroad, prove himself in New York and Paris, and come back for the local people to say ‘we want their fashion.’ We can export, and that is what we do. We export designers and creativity,” she says when talking to EXECUTIVE about the latest developments in regard to fashion design (see introduction page 22).

The widening of older definitions of design to a newer concept of social design is where Marc Baroud, director of the design department at ALBA, sees the real growth potential for design made in Lebanon. “If you take social design, we think that this is a field where Lebanon is very prone for play-

ing a greater role and contribute way more to than to product design,” he says. Like others in the Lebanese design community, he points to the lack of a strong manufacturing industry, and the small size of the domestic market as

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factors that put the country at a disadvantage when compared with industrial or product design cultures that other countries or design capitals from Denmark to Tokyo and Singapore have developed over the course of decades.

In the area of social design, however, he sees untapped global markets for design made in Lebanon. “I think that great things can come out [of this country] in terms of social design, and because the problem-solving experience of the Lebanese can be of [global] value. Today, everything is connected, whether it is service design or product design and social design, and we don’t need to produce things locally. This is why we [at the ALBA design department] think that design from Lebanon — to avoid the term Lebanese design — has great opportunities,” says Baroud who also has experience as a designer working in Lebanon.

The latest horse in the stable of design-centered Lebanon is being saddled and prepared to debut next month [September 2017] through Beirut Design Fair (BDF), an exhibition that will present both



Beirut Design Week exhibits at the Sursock Museum

contemporary local, and vintage international items, and thus presumably contribute to the creation of a market for collectibles.

Guillaume Taslé d'Héliand, the fair's founder and director, explains that BDF will focus on exhibiting furniture and product design. Making regular visits to Beirut throughout recent years, he found that the local market did not provide the space that designers wished for. "Many designers told me that they were not satisfied with the commercial side of product design in Lebanon," he tells EXECUTIVE.

According to Taslé d'Héliand, BDF is a for-profit venture, but he does not expect to incur a positive bottom line for up to three years. He expects, however, that business in Lebanon will enter a phase of rapid growth "as soon as the Syrian question will cease to be a problem," as he puts it. In his expectation, this explosive growth will apply to the economy in general, and therefore be beneficial to the design market. As for his specific interest in developing this market, he refers to numerous factors that make the country a candidate for playing a greater role in design, such as its "culture and Lebanese creativity, critical sense, and available training and schooling in design," as well as well-developed craftsmanship, sense of hospitality, and other advantages.

Concepts that consideration of design in manufacturing or services can create better outcomes from the start of a manufacturing or services process have not yet been fully integrated in Lebanon, but it

would be beneficial to do so as countries with an integrated design dimension are dynamic economies, he argues. To help advance Lebanon, he and his local collaborators, therefore, think it will be prudent to "push design in this country more to the forefront," to which end they plan beyond the creation of BDF to make partnerships with local organizations — examples include the Business School ESA and the Association of Lebanese Industrialists — as well as linking Beirut to international networks of "design capitals" and regional design councils.

"I think it's legitimate to say for Beirut that we want this city to become the design capital of the entire region. That is our vision and what we want. You need money to move things, but the vision is not a business vision. The fair is one means among other means in reaching the vision [of having Lebanese design established as something that is recognized around the world]," he emphasizes. Beirut by his consideration is already today the de-facto only viable design capital of the Middle East and should be internationally recognized as such. "If you're a real designer, you can change the world," he adds.

The question over the value of design is not made any easier by the fact that definitions of design have been, are, and probably will remain, fluid. For Toutikian, "People tend to formulate design as just design which one sees in magazines, and thus, often perceive it as fashion, furniture, or product design. When we talk of design, we talk of the process of design that creates all of these things."

CREATIVE COUNTERWEIGHT

The descriptions that are offered as wholesale explanation for design today see designers as driven by a general state of presumed dismay at our world's imperfection. Positively phrased, contemporary design definitions gyrate around terms like "mindset," "problem-solving," "human-centric," and "making the world a better place."

As such, it appears that the current ideology of design thinking is positioning itself as the creative counterweight to the harshly analytical and profit-driven parts of social sciences that go under the label of economic science.

Structuring the creative process into a teachable discipline might well amount to the squaring of circles, but equally the exercise seems inevitable, given that human behavior, and the straightjacket of economic priorities, need to be reconciled through some process. Design appears to be the current thought on this process, mirrored in the shift that

over the past 30 or 40 years gradually moved design from an afterthought of the production process — make a product look good to make it easier to sell — to a concern at the beginning of the process. This concern presumably is focused on the compatibility of the things, services, and even social processes, with the human need and consumption that Adam Smith denoted as “the purpose of all production.”

In the opinion of ALBA's Baroud, the design ecosystem in Lebanon is set to grow on the strength of the intangible, but real social heritage of problem-solving and conviviality that exists in this country, and also because there are increasing numbers of like-minded people in the design community that are pushing the ecosystem forward. In this regard, he also expects that the new BDF project will promulgate greater understanding and appreciation of design, and help in clearing up confusion over different specialties in designing, such as the relationship between producing gallery pieces that will be prototypes and collectibles, and creating designs for production on a larger scale “in the hope that they can one day be produced in meaningful numbers to have an impact or improve things in society.”

Confessing to having initially been skeptical about the project of a fair, he accepted an invitation to be on the BDF's screening committee for entries, and says that the fair might deliver aspects of a design market that people might expect, but not find at the differently purposed Beirut Design Week, “I guess that collectible design has a real market, and that this market can grow.”

Appealing to some ever-hungry members of the monied crowd who are looking for passion investment opportunities might help gradually build the design market in Lebanon, but even in the best case, will not instantaneously embed appreciation and viability of design in the local business sphere.

However, there are additional indications for what were called green shoots after the global financial crisis. One such green shoot in Lebanese entrepreneurship with tech and design connotations could emerge just now in form of MAD, a catchy (but historically over-occupied) abbreviation for Music.Arts.Design.

LOOKING FORWARD

MAD, as founder Rima Yacoub tells EXECUTIVE, is a digital marketplace incorporated in Beirut and in Paris. More specifically, Yacoub describes it as “the marketplace to meet, discover, and launch artists in the music, arts, and design scene.” The startup has recently completed its first round of funding, with \$360,000 that was provided by private investors and by the Seeders network of business angels in Lebanon, with matching funds added by IM Capital and Kaf-

alat's iSME program.

Yacoub, who is Lebanese with experience of working in Paris, says she and two partners — one French and one other Lebanese, her sister — created MAD in Lebanon because of their existing network that they had built by operating a marketing agency, and because the country is an “important location for artists and designers in the Middle East.” In attempting to remove traditional walls that hinder collaboration of artists, musicians, designers, and also ease their communication with corporations seeking them for projects related to their products or brands, MAD aims to grow out of its Lebanese-French base into an international platform, with offices in several countries within a few years, and is already planning to conduct a next funding round 18 months from today. Besides such examples for synergies between the knowledge economy pushed by Lebanon's central bank and the country's creative industries, signs of promise for the growing viability of design made in Lebanon exist in local collaborations, such as new partnerships of the Association of Lebanese Industrialists with design stakeholders that have been struck on one level with BDF and on another level with ALBA (for internships).

A third and final note of promise might be in taking Lebanese design to local markets. In recent years, design could be found in small workshops and boutiques either operated by the designers themselves or sponsored under EU or UNIDO programs like the Creative Lebanon sales rooms that were in Gemmayze a year ago. But now, design presence is growing also in posh places, such as the new urban shopping hub of ABC Mall Verdun.

Frank Kuntermann, deputy CEO of ABC, tells EXECUTIVE on the sidelines of the mall's lavish opening party on July 27 that the new ABC department store will feature Lebanese designers including established names like Nada Debs and Sarah's Bag, but also newcomers in perfume design and rising stars in jewelry design. “With all these people, we have basically 20

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percent of our offer in the department store as Lebanese design,” he explains and continues, “This is not enough. I would like to have a big space dedicated to [Lebanese] fashion design, where we could welcome young design-

ers and present [their creations]. I would like [Lebanese design] to be [given] more [room] because there is talent in Lebanon, and ABC has to also be the face of Lebanese talent and design.”