Public Administration and Governance : Lebanon as a case study

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The General Assembly Resolution Number 50/225 on Public Administration and Development underlined the importance of enhancing international cooperation in the field of public administration. Furthermore, the General Assembly Resolution number 57/277 of December 2002 recommended that a particular emphasis be devoted to the exchange of experience related to the role of public administration in the implementation of the internationally agreed goals, including those contained in the Millennium Declaration.

In accordance with the above-mentioned General Assembly resolutions, the United Nations has agreed to cooperate by establishing a “Program for the Promotion of Exchange of Administrative Innovation between Europe and the Mediterranean Region”.

The United Nations program: Innovation in Public Administration in the Euro-Mediterranean Region was oriented to “contribute, through the exchange of innovative ideas and experiences in public administration, to the improvement of governance systems in the countries of the Euro-Mediterranean area with a view to enhancing prosperity, peace and stability in the region. The Project also intends to promote the progressive harmonization of public administration systems in the Mediterranean area in line with the Barcelona process established in 1995 as a means through which the European Union supports Mediterranean partners in their political, economic and social reforms”.

The Euro-Mediterranean Conference held in Barcelona in November 1995 called for the establishment of a comprehensive Euro- Mediterranean Partnership to strengthen the political, economic, and cultural links between countries in the region.

The three main pillars and objectives of the Partnership:
1- Definition of a common area of peace and stability through a reinforcement of political dialogue and security between Europe and the Mediterranean countries.
2- Construction of a zone of shared prosperity through an economic and financial partnership, and the gradual establishment of a free trade zone to be fully functional by the year 2010, in order to integrate the Mediterranean partners in the major economic system in the region, that of the European Union.
3- A rapprochement between peoples through a social, cultural, and human partnership aimed at encouraging understanding between cultures and exchanges between civil societies.

(The European Commission, p.7)

Additionally, a training program in Lebanon can be very useful with the collaboration of “Program for the Promotion of Exchange of Administrative Innovation between Europe and the Mediterranean Region”.

This Program is an important step for preparing key middle and top-level managers for the new post war Lebanese public sector and modern administration. The Program can support a long-term reform to develop the democracy in Lebanon in the main representative institutions as:

- The Parliament as a real center for political democratization of Lebanon.
- The political system, political parties and organizations, syndicates.
- Municipal Councils in all Lebanese regions.
- Private sector in its main fields as commerce, services, industry, education…
Part I: Historical Background

This study is clearly oriented to clarify the sectarian policies and reforms conducted in Lebanon since its independence in 1943 until 2004. It concentrates exclusively on public administration reforms, innovation and capacity-building, and recognizes that strengthening good governance and modernizing public administration is a good instrument in fostering peace and stability. It promotes sustainable development and poverty eradication, protects the middle and lower classes in Lebanon and facilitates the integration of the Lebanese economy into the world economy, especially with the European and Mediterranean economic spheres.

A- Short background including the three phases of the development of the Lebanese Public Administration

a- The Independence period (1943 -1975), that led to the “Lebanese Economic Miracle”.

After the World War I, France has been given a Mandatory authority over the present states of Syria and Lebanon. She introduced new reforms on the old Ottoman system that governed Lebanon for more than four hundred years (1516-1918). The new Lebanese constitution has been declared on May 23, 1926. Three days later, the New Lebanese Republic has been proclaimed. The new Lebanese modern state has real politic, social, economic and cultural changes. (For details, see, M. Daher: The Lebanese Social History 1914 -1926, Beirut 1974 and 1984).

The Lebanese constitution established a system based on the separation of powers. Hence, the President of republic was the head of the executive authority; the legislative authority represented by the Lebanese elected parliament; and the judicial authority had its own hierarchy at a High Court.

The French influence was complete during the Mandate. From 1920 to 1943, the Lebanese administration and policy were under permanent interventions of the French high Commissioner, and his counselors occupied all the key posts in the Lebanese administration. He amended the Lebanese constitutions for several times. The most important amendments of the Lebanese constitution were in 1943 and 1992.

The French Mandate established the Lebanese Republic along the lines of the French Third Republic. The Lebanese administration remained very small. It was concerned primarily with keeping order and security and regulating political conflicts, rather than public service or development. It was a “Laissez – Faire” administration.

The French Mandate created the National Police but the National Army has not been created until 1945. Modern public administration and service facilities were also the innovation of the French Mandate.

As a result, the Lebanese inherited a new modern state and administration after the evacuation of the French Army in 1946.

The politics in the Independence period (1943 -1975) were shaped in the National Pact between some Maronite and Sunni Leaders. Power was distributed as follows: the Presidency of the Republic to a Maronite Leader, the Speaker of the Parliament to a Shiite leader, the Premiership to a Sunni Leader. Representation in the Lebanese parliament should be shared according to a ratio of 6 seats for Christians and 5 seats for Muslims. The National Pact did not mention that Lebanon after 1943 is to become an Arab state but only an independent sovereign state “with an Arab face”.


In Summary, the newly Lebanese independent state inherited from the French Mandate period a constitution, a Parliament, governmental procedures, census of the Lebanese population in 1932 that is still active until now, a gendarmerie and police, an educational system, a “Laissez –Faire Policy” in economy and administration, corruption, and a feeble public sector. The first president of the Independent Republic of Lebanon, Bishara al Khuri (1943 -1952) adopted a policy of modernization and sectarian compromise between the great Lebanese feudal leaders. By the end of his term, corruption in the public administration became a real danger for the development of the country. He amended the constitution in 1949 in order to renew his presidency for a second term. In 1952, the president left his post after a overwhelming “White Revolution”.

President Khuri’s main concern was to maintain political stability on the basis of the National Pact. The Lebanese bureaucracy in his period was still too minimal. Corruption among the new Lebanese leaders was widespread more than during the French mandate period. The public administration was viewed more as an arena for political support rather than as a tool for provision of public good and socio-economic services. A number of old administrators inherited from the French Mandate period remained in their key posts, and many of them were corrupted. The corrupted administration was one of the major reasons that brought down Khuri’s presidency in 1952, three years before the end of his second term in 1955.

Camille Chamoun succeeded president Khuri in (1952-1958). He came to the presidency with a clear resolution to reform the Lebanese administration. He enlarged the process of the modernization and reform in Lebanon with the support of the American Ford Foundation. During his presidency, the public administration in Lebanon expanded considerably to employ over 16,000 people. He created new ministries, and developed many administrative decrees. However, Lebanon knew external and domestic crisis under his presidency. As a result, his attempts to expand and modernize the public administration were partially successful. The service sector was largely modernized. The historians described Lebanon of that period as the “Pearl or the Switzerland of the Middle East”. In addition, the economists spoke about the beginning of “The Lebanese Economic Miracle”.

On the other hand, his presidency has shown growing sectarian tensions between Christians and Muslims. His regional and international policies were oriented to the Western camp against the Eastern block. His presidency ended in 1958 with a National Revolution and civil sectarian conflict. Thousands of Lebanese were killed. The United States sent its Marines to Beirut in order to guarantee a free election of a new president.

In September 1958, the Lebanese parliament elected the Army Commander, General Fuad Shihab, to the presidency (1958-1964). He was the first president who came to the presidency from outside of the traditional political sectarian leaders. He had in mind to strengthen the Lebanese administration and distinguish himself from the other Lebanese presidents.

Contrary to president Chamoun who asked for an American support for his administrative reform, president Shihab enlisted the support of a French consulting organization well known as IRFED Team. He extended this study in order to cover all Lebanese regions and public sectors. He created the basic organizations of Reforms in Lebanon as The Civil Service Council, The Central Inspection Commission, The Directorate for Research and Guidance, and The Bureau of Accountability. He adopted a large program of reform in order to create the basis of a modern state, clear administration, political stability, and strong socio-economic development in many sectors and in all Lebanese regions, especially in the far countryside.

His policy aimed at developing the state into a modern institution capable of managing development, and the provision of equality and justice in a rapid modernizing society. He undertook important administrative reforms and encouraged the growth of bureaucratic – military elite within the state.
During this period, the Lebanese policy supported the private sector growth. Shihabi’s reforms of 1959 gave priorities in terms of first importance to the public administration that was placed at the center of urgent reforms. “Shihab’s ambition was to build “The State of Independence”, and to build an administrative and bureaucratic structure that carried its own internal autonomy and authority and could act independently from the political class which he regarded as corrupt. The period of the Shihab reforms still represent the high point of administrative reform and progress in Lebanon” (Postwar Institutional …p.41).

Charles Helou succeeded Shihab in the Presidency (1964 -1970). He lacked charisma and power. He undertook no new reforms but laid emphasis on purging the civil service from “bad elements”. Without any success, his reforms undertook under the control of Shihab’s military club. The Shihabi bureaucratic elite was replaced by new “bad elements”. President Helou did not ensure the election of one Shihabi president to continue the reforms and the state building in Lebanon. His period marked by the Arab –Israeli War of 1967 that opened the door for more than 300,000 Palestinians refugees to come to Lebanon. In 1969, Lebanon signed the Cairo Treaty with the Palestinian guerillas. The Lebanese government allowed Palestinians to use the Southern Lebanese borders for military attacks against Israel. Lebanon lost the control on its territory. It was the escalation that led to the civil war of 1975.

The presidential election of 1970 was oriented against the Shihabi line. The new elected president Suleiman Frangiyyeh (1970 -1976 ) was a traditional Leader from North Lebanon. He was supported by a coalition of all traditional sectarian leaders. He acted contrary to the Shihabi administrative reforms. His aim was to reassert the authority of the old political sectarian and feudal class. He allowed an increasing executive political interference in public administration, including the promotion and demotion of high civil servants.

With a hostile president and contrary new legislations, the morale within the bureaucracy elite declined, and the autonomy and internal integrity of the administrative structure was shaken. The end of his presidency showed the outbreak of the first to years of the civil war in 1975 -1976. The public administration became feeble, and all reforms are still inactive until now.

b- The Civil War period (1975-1990)


President Sarkis was a veteran public administrator along the Shihabi path. He came to the presidency from the post of The Administrator of the Central bank in Lebanon, created under the Shihabi reforms. He oriented his activity to diminish the negative aspects of the civil war. He established The Council for Development and Reconstruction. “During his term, the bureaucracy continued to expand, but its revenue base was declining and the central planning, reform, and control mechanisms were deteriorating” (Postwar Institutional  p.42).

The period of 1976 to 1978 has shown a large degradation between Syria and Palestinian organizations on one hand, and Syria and Lebanese Forces on the other. Some Christian militias developed close relations with Israel. After the Syrian military interference in Lebanon since 1976, the Israeli Army intervened in this country, and occupied half of the South Lebanon since 1978. Hence, the Lebanese conflict regionalized, with heavy intervention of Palestinians, Syrians, and Israelis. The period of 1982-1984 was marked by many political and socio-economic changes in Lebanon. The main points are:
The Israeli occupation of the Lebanese capital Beirut with large territories in the South, the Bekaa Valley and the Mount of Lebanon in 1982 considered as the major turning point in the Lebanese civil war. It had tremendous human and economic costs and led to the displacement of hundreds of thousands of Lebanese in many regions, especially in the South.

The leader of the Lebanese Forces, Bashir Gemayel, who strictly collaborated with Israel was elected to the presidency. He was assassinated few days before assuming his post. The Lebanese parliament met again to elect his brother, Amine Gemayel to the presidency (1982-1988).

The United States deployed Marines to Lebanon by the end of 1982 as part of multi-national forces that would guarantee the evacuation of Palestinians fighters from the Israeli – besieged Beirut.

two days after the assassination of the elected president Bashir Gemayel in September 14,1982, terrible massacres at the Sabra and Shatila Palestinian Refugee Camps were committed by Israeli Army and its subordinated Lebanese Forces with collaboration of affiliated Israeli Army of Southern Lebanon.

President Amine Gemayel collaborated with the United States in order to withdraw the Israeli forces from Lebanon. This led to an Israeli – Lebanese Agreement in May 17, 1983, negotiated under American auspices. Even though it was ratified by the Lebanese parliament, yet Syria, Palestinian Organizations, Islamic Movements, and Lebanese national Movement opposed it. A strong Lebanese National Movement of Resistance conducted guerilla campaigns against the American embassy in Beirut, the US Marines barracks, and French troops.

The Lebanese Army collapsed in February of 1984 and was split into militia groups. At the same time, large confrontations between Druze and Maronite militias ravaged many areas of the Mount – Lebanon. Hundred so f villages destroyed and hundred of thousands of people were obliged to leave their homes and villages.

An Agreement between three pro-Syrian militias was signed in December 1985. It was opposed by president Amine Gemayel who considered this agreement as a direct interference of Syria in Lebanon. (For details, see, M. Daher; The Socio-Economic Changes and the Civil war in Lebanon 1943-1990, Tokyo 1993).

c- The Taif Agreement Period (1990-2004)

For the first time in Lebanese modern history, in 1988 president Amine Gemayel ended his term without the election of his successor. He appointed Army Commander, General Michel Aoun, as Prime Minister at the head of a military cabinet. This act was considered against the spirit of the National Pact adopted since 1943 which mentioned that the Prime Minister should be Sunni, the President of the Republic Maronite, and the Speaker of the Parliament Shiite.

In immediate reaction, the military members of the new cabinet resigned, and Lebanon knew two governments at the same time: a civilian one guided by Salim al Hoss, and a military one of General Aoun. The tension between the two governments lasted for two years, from September 1988 to October 1990.

In October 1989, the Arab League, with American support, succeeded in stopping the civil war. The Taif Agreement, signed in the Kingdom of Saudi Arabia by the majority of the Lebanese deputies, opened the door for a democratic election of a new president. In November 1989, René Muawwad was elected to the presidency but was assassinated two weeks later. The Lebanese Parliament met again and elected Elias Hrawi (1989-1998).
Hrawi appointed Salim al Hoss as Prime Minister. In opposite, the government of General Michel Aoun continued in East Beirut until his military defeat by Syrian army with an American support in October 13, 1990.

The Taif Agreement succeeded in settling some political disputes that led to the polarization in the Lebanese policy between two divided states in Lebanon during the period of 1988-1990. The Syrian attack that led to the removal of General Aoun and his military government in 1990 and opened the door for a more dominating Syrian role over the Lebanese state and administration. It enjoyed the place of the key player in the Lebanese stability during the Taif agreement period, and the unique player in the Lebanese policy after the defeat and the withdrawal of the Israeli forces from South Lebanon in May 2000.

Two main points related to The Taif Agreement of 1989 can be reviewed here as follows:

1- Political and Administrative Reforms under the Taif Agreement

From 1991, Lebanon was oriented for peace, restoration and reconstruction. The first reforms were undertaken on the basis of the new constitution agreed upon in the Taif Agreement. The major relevant change in the bureaucracy was the shift of executive power from the President to the Council of Ministers. Then, the Ministry of Administrative Reform was formed. Some ministers presented many proposals for reforms, and supported bureaucratic modernizers.

The Council of Ministers held several meetings under the banner of administrative Reform in the last fifteen years. But the government failed to formulate a clear policy on reform. On the other hand, the interference of sectarian and militia leaders in the Lebanese administration became more acute and corruption reached a very high level in the Second Republic based on the Taif Agreement of 1989. A new Parliament was elected in 1992, after 20 years of prorogation to the old Parliament elected in 1972.

In the old system, the President of the Republic headed the executive, whereas in the new one it is headed by the Council of Ministers as a collective body. Sovereignty is vested in the people; they elect a Parliament; a Parliament elects a President; a President and a Parliament designate a Prime Minister; the Prime Minister forms a cabinet in cooperation with the President. The 128 seats of the Lebanese Parliament are distributed in a strict sectarian division between Christians and Muslims, 64 for Christians and the same number for Muslims. Lebanese Relations with Syria firmed up with the signing of a Treaty of Brotherhood, Cooperation and Coordination between the two countries and the conclusion of a Pact of Defense and Security.

General Emile Lahoud was elected for the presidency in September 23, 1998. He played a big role in the unification of the Lebanese army with a firm support from Syria. During his term, on May 24 2000, the Lebanese National Resistance succeeded in liberating the Lebanese territories occupied by Israeli forces since 1978. Since then May 24 was declared National Day of Liberation.

The period of the Taif Agreement led to the Lebanese reconstruction with many economic and social crisis and a huge public debt. The Taif Agreement was made possible through the negotiation of a national reconciliation between Lebanese Parliamentarians in the fall of 1989 and a strong Arab, United States and European support for ending 15 years of Civil War. The Lebanese militias disbanded, the Lebanese Army reorganized and the process of the Lebanese administration recreated.
Under the Taif Agreement, many steps were adopted to increase stability. The most important ones were the renewal of the constitutional political life in Lebanon, the new distribution of the deputies’ seats with equal representation between Christian and Muslim, the restoration of state’s security and administrative organs, the reelection of the Lebanese deputies after an absence of elections for 20 years, the new distribution of power between the political Troika. The president of Republic should be Maronite and elected by the deputies for six years. The Speaker of the House should be shiite and elected for 4 years or for the whole period of the Parliament. The Prime Minister should be Sunni and elected by the majority of deputies. The Lebanese sectarian system became stronger than before, and the Lebanese polity still deeply divided along the strongest sectarian lines. Some of former militia leaders are now in positions of power, and foreign influence within the Lebanese leaders and sectarian communities is still very high.

With the Taif Agreement, Sectarian identities in Lebanon has been reinforced by the presence of strong sectarian militias that grew in strength during the whole period of the civil war. The militia’s leaders grew not only in military power, but also they became powerful financial and businesspersons. They opened their own radios, televisions, newspapers, institutions and even universities. They became dominant power in the Lebanese State of the Second Republic known as Taif’s State.

In concluding remark, the structure of the Lebanese political system, before and after the civil war, can be described as a sectarian regime, with a heavy dose of regional influence, from Israel and Syria. During the civil war of 1975 -1990, the main leaders of the Lebanese political regime are sectarian militia leaders. The Lebanese state nearly declined during the period of the civil war. The results are:

- Weakness of the Lebanese National Unity,
- Dislocation and division of the Lebanese army,
- Decline of the economy during the war,
- Devaluation of the Lebanese Pound,
- Wide gap between ruler and ruled,
- Absence of parliamentary and municipality elections,
- Lack of popular legitimacy of the Lebanese state and its public administration,
- Strong regional interference over the Lebanese State and the public administration.

2- Socio –Economic Changes under Taif Agreement

Before 1975, the Lebanese economy witnessed a modest improvement in the agricultural and industrial sectors, while trade and services dominated economic activities. Services in Lebanon have long benefited from the country’s advantageous geographic position, an environment conducive to investment, political stability, openness on the world, and a good education system. Despite the dominance of the private sector, the role of the state was important.

The Lebanese state established necessary framework and encouraged private sector initiatives by providing a favorable business environment. Lebanon enjoyed advantageous fiscal and customs regimes, free and floating exchange rates; total freedom of transfer, exchange, and holding of foreign currencies; banking secrecy and a liberal banking legislation; and a developed basic infrastructure of ports, airports, roads and telecommunications. The state maintained exemplary financial neutrality and balanced accounts”. (Nasr and Melki, Can The Lebanese Fiscal System meet the euro – Med challenge? In S. Atallah, 2000. p.10).
Under the Taif Agreement regime, the main Lebanese leaders become militiamen, sectarian leaders, businessmen, and technocrats. There are only three women over 128 deputies at the Lebanese parliament. Lebanese executive cabinets did not have any women since the creation of the greater Lebanon under the French Mandate until 2004.

Between 1975 -1990, the Lebanese state was partially or completely paralyzed. The socio–economic situations worsened. The Lebanese national pound which held fairly steady since the outbreak of the civil war in 1975, lost rapidly its value to reach an inflation around 400% in 1986, and 900% in 1989. The civil war period led almost to a complete destruction of the Lebanese state, Lebanese army, Lebanese administration and economy.

B- National Pact and Sectarian Political Regime

Lebanon is a country of mosaic with more than 18 sectarian communities and seven ethnic groups. Its population is nearly four million people divided between approximately half Christians and half Muslims. The main feature of the Lebanese experience in the administrative innovation is the link between the very high level of modernization in the private sector and the very long-standing conservative political sectarian regime, dating to the middle of the nineteenth century.

The French Mandate introduced a new political system based on the Lebanese Constitution of 1926. But, the National Pact of 1943 created the Lebanese Sectarian Political Formula and consolidated the power of the old sectarian leaders during the whole period of Independence since 1943 until the breakdown of the civil war in 1975. (for details, see , M. Daher :Lebanon, its Independence, The National Pact and The Lebanese Formula, 1974 and 1984).

The unwritten National Pact defined the shares of the big communities in the Lebanese parliament, government and high ranks of the public administration. It was based on confessional balance between the three greater communities: Maronite, Shitte and Sunni, that represent alternatively the President of Republic, the Speaker of the Parliament and the Prime Minister. The leaders of the other 15 minor communities do not have the right for a rank higher than minister or deputy, and do not have any active role in the Lebanese administration.

It is important to mention that only after the military putch conducted in 1962 by the Syrian National Party against the regime of President Fuad Shihab that the Military club started to play, and is still playing a big and active role in the Lebanese administration.

Most Lebanese army officers are highly trained specialists in technical matters in the United States, France, Britain, Italy and many other developed countries. Therefore, since 1962, the Lebanese army officers interfer in the electoral process, in bureaucratic recruitments and in the public administration jobs. Currently and as a proof of the active role of the military club, the president of the Lebanese Republic is the army General Emile Lahoud (1998 -2004) who was before the Chief of the Lebanese Army.

During the long Civil War 1975- 1990, the Lebanese Formula allowed the Parliament to be the only legitimate channel for the political regime and the public administration. Since 1943, the Lebanese Parliament has become the only stable institution in which each sectarian community in the Lebanese mosaic society was represented under the strict ratio between Christians and Muslims. This ratio was stable from 1943 to 1992, as six Christian deputies versus five Muslims. It changed to become five Christians vs. five Muslims.
The electoral law has been revised several times. The result was that the parliament was and still is relatively weak. No woman elected for a parliamentary seat for nearly fifty years after the independence.

In 2004, the parliament has only three women among 128 seats. Until now, there are no women in any ministerial posting. The Lebanese political formula leaves the ministers, as well as the whole ranks of the public administration at the mercy of the President of the Republic and the Primer. After 1992, the duo became troika: The President, the Speaker of the Parliament, and the Primer. The Lebanese Sectarian administration is largely influenced by the political governments, more than in any other time.

The Lebanese radical elite has criticized the electoral process for favoring the leaders of the old families against the other leaders, the men against women, the rich against the Middle and lower classes. It represents an obstacle to the secular and national political parties, to the leaders of syndicates, to the peasants and workers, to women, and to the young Lebanese generation.

The National Pact led to a long stability in the Lebanese administration and allowed a clear modernization and socio-economic changes mainly in Beirut and the near Mount Lebanon.

C -Weaknesses of the Lebanese Political System and Priorities of Reforms in the Lebanese Public Administration.

Created under the very traditional Ottoman regime (1516 -1918) and sustained by the French Mandate System on Lebanon (1918 -1943), the bureaucracy in the Independent Lebanon since 1943 was based on the distribution of the administrative seats between the big sectarian communities.

The Lebanese bureaucracy was mainly considered as a compromise between traditional leaders of the big families and religious communities or sects. The deep historical roots of Lebanon’s sectarian society influenced largely, and is still influencing the sectarian character of the Lebanese administration.( For details, see, M. DAHER: Historical Roots of the Lebanese Sectarian Problem 1516 -1861, 1981, 1984, and 1986).

“Lebanon inherited a serious ailing bureaucracy but made things worse by overspending, especially on the Army. This led to wide deficits and a monetary collapse in 1985 – 1986 which has become the central problem of the public sector. He undertook some purges of the civil service. From 1984 to 1990, the Lebanese administration was in a state of near total paralysis. Meanwhile, the problems introduced by the war continued to tear the public sector institutions”.(Postwar Institutional p.42).

The last municipal election was in 1966. The last election in the Lebanese Parliament during that period was conducted in 1972. During 20 years (1972-1992) the Lebanese population did not participate in any parliamentary elections. It did not participate also in municipal elections until 1998.

As a result, the paralysis of the electoral process in Parliament and Municipalities widened the gap between the ruler and the Lebanese population, especially the new generation born during the civil war period. It contributed to lower the level of political consent and increase the levels of radical opposition. The Lebanese society was completely influenced by the spirit of militia men that works against the stability of the state.
Indeed, after the Taif Agreement of 1989, the Lebanese policy has shown a low confidence in the stability of the current political system as well as in the public administration. Many wealthy Lebanese emigrants, Arab and foreign investors are still skeptical about the future of Lebanon in the New Middle East order. Some of them are not sure of the internal stability of this country, for internal and regional reasons. The public sector is still understaffed and under-equipped. During the civil war, it operated on an individual adhoc basis, without having the benefit of a good staff, documents, or computerized databases. The civil war entailed a serious deterioration to the public administration in Lebanon. The main damages are:

- The division of the Lebanese capital Beirut with split of key ministries and agencies.
- The violence of the civil war damaged or destroyed many government buildings.
- Many top managers and administrators left their jobs, left the country, or were killed.
- Militiamen took over key administrative installations.
- Absenteeism grew as a serious problem.
- The ability of administrative superiors or the central control agencies to investigate and punish corruption declined sharply.
- The Lebanese army became unable to protect the state and administration in Lebanon.
- The emigration increased dramatically during the 1975-1990 conflict when over a third of the 1975 resident population (900,000) left the country. Emigration continued during the post-war reconstruction decade, which ended in a severe recession and tens of thousands of mainly young qualified Lebanese leaving annually. (Globalization: Towards a Lebanese Agenda, 2002, p.18).

The Lebanese government is plagued by internal large-scale corruption, low popular legitimacy, and massive debts and budget deficits. Many regional and international pressures also influenced it. The instability of the Middle East region discourages large Arab and foreign investments in Lebanon.

Since the mid 1990s, the Lebanese Government has launched a good number of modernization projects that include Information and Communication Technology solutions. These projects and solutions were initially planned with the active involvement of the international funding organizations that provided loans and grants for this purpose to select governmental ministries and agencies. With time, the planning for these projects and information and communication technology solutions shifted to a more flexible direction becoming more of a beneficiary (government office) or demand-driven process based on a pre-defined project selection criterion. This allowed for earmarking of available funds to the best suitable project that would render the targeted modernization and operational results through use of communications and high technology. Through this planning modality more tangible projects were implemented in the government over the period of 1996 to 2004. Modern telephone systems and core data network systems are deployed in government core offices, Ministries and Autonomous Agencies. The implementations of Information and Communication Technology solutions in the Government of Lebanon are accompanied by the required training for the concerned civil servants. The training of thousands of civil servants has covered end user training for PCs and productivity tools, advanced network and database administration training, systems applications development tools training and training on the developed tailored systems applications. As a result of this training, capacity has been built in various government offices to constantly operate, maintain, upgrade and populate the available information systems and their enabling environments. (E-Government Strategy for Lebanon, Beirut 2002, p.8)
Part II: Lebanon’s administrative Model

A- Traditional administration and modern public sector

The Sectarianism is one of the great problems of Lebanese modernization in the public administration and public sectors in the socio-economic fields such as that of health, teaching, high education, public services, and many others. The dualism between the very modern and developed private sector and the very conservative public sector is still giving wrong impressions in the scientific publications on the Lebanese administration. For some intellectuals, Lebanon is a country of “the Precarious Republic” (Michael Hudson), “The Country of the Sectarian Mosaic State” (Albert Hourani), “The House of many Mansions” (Kemal Saliby)… For others, Lebanon is “The country of “Modernization without Revolution” (Elie Adib Salem), “The country of the economic miracle” (Michel Asmar) and the “The Lebanese Cenacle Club”.

As a result, Lebanon is a country that can be depicted in different ways. It is usually classified among the most modernized countries in the whole Arab World and Middle Eastern countries. The bonds with western countries are centuries old, but the foundations of the modern Lebanese administration were intensively imposed during the period of the French Mandate. From that time, the Lebanese administration had many western faces of modernization in the field of institutions, political regime, economic and social regime. As a result, Lebanon largely benefited from the rise of the military regimes and the exploitation of oil in the Arab world during the 1950’s and 1960’s. It received a large sum of money that led to the quick development of its liberal economic system, as well as its financial and services sector. To conclude here, the Lebanese politics does not represent the dynamic of its modern society. They are mixed groups between modern democratic leaders and political parties on one hand, and feudal sectarian and traditional tribal or family leaders on the other. In Lebanon, tradition is still mixed modernity, feudalism with capitalism, sectarianism with secularism, democracy with plutocracy, individualism with communalism.

B- Modern Education in a Traditional Society

The modernization process of Lebanon has been promoted by the communal basis of education. The Christian missionaries had a big role in establishing the first modern schools and universities in the entire Middle Eastern region. They supported pluralistic culture, multi-linguistic training, and easy access to high quality education and high ranking in the Lebanese and Arab administrations, in both public and private sectors. (E. Salem, Modernization without Revolution pp. 33-40).

The American University in Beirut, was created by the American missionary of High Education in 1866. The University Saint Joseph was created also in Beirut in 1875 by the Jesuites French Missionary. As a result, Lebanon was the only center of High Education in the whole Middle East for nearly 40 years when the University of Cairo was created in 1908. The students of Saint Joseph University were mainly Lebanese and Christians. They promoted the modernization of Lebanese administration.
On the other hand, the students of the American University were mainly Arabs and were oriented to the administration of their own countries and less recruited in the Lebanese administration. Both of them enlarged the role of Lebanon as a center for a modern administration.

In 2004, Lebanon has more than 42 private universities and one public university. But the only Lebanese public university has more than 65% of the Lebanese professors and students. The Lebanese state is largely responsible for the development of public education at all levels.

Private and public institutions had the most important role in Lebanese public administration. They largely advanced and are still developing the education and administration throughout Lebanon. They enhanced the skills of Lebanese employees by using Arabic, French, English, Armenian, Spanish, Russian, and many other languages. The Lebanese University is still teaching more than 16 foreign languages at very high levels in order to prepare good experts and professional skills. It expands scientific, professional, and technological training in a kind of communal and private institutions. The Lebanese employees have the opportunity to study in an Arabic, American, English, French, Italian and German schools, Colleges, Universities and training centers.

One should notice that the education in Lebanon benefited immensely from the “Laissez-Faire” philosophy which allowed every community to conduct its own schools and cultural centers. But the role of these institutions had a negative influence on education in the public sector and on the Lebanese feeling of unity and patriotism. Lebanon’s radical Intelligentsia is still denouncing the existing educational system for its wide diversity and multi-sectarian feeling. It insists that Lebanon should have a national, secular and democratic strong State. He should have a strict controlled educational system on one hand, and an open door to the modernity, new sciences, higher technology and best training, on the other. However, the diversity of the educational system has prepared Lebanese people from all communities and sects for a diversified public administration and highly qualified private sector in all fields. “Globalization challenges and human development requirements underline a need to rethink the role, function, and social philosophy of the Lebanese state….In today’s global environment, Lebanese enterprises need a great deal of support to develop a new business culture based on information, innovation, quality management and strong corporate governance.”

(Globalization: Towards a Lebanese Agenda, 2002, pp. 18-19)

C- Administration and Services sector in Lebanon

Lebanon is a country of free market and generally “Laissez-Faire” economy. Before the Civil War (1975-1990), its various invisible incomes have been a source of “Economy Miracle”, developed sectors in transportation, tourism and summer resort, growing socialization, stable middle class, and private capital inflows from Arab oil countries and military regimes. The existence of Lebanon as a free – market economy has led to a large influx of capital from the oil producing Arab countries, and to an economic boom in Beirut and its suburbs during the years 1950-1975. At the same time, Lebanese emigrants have sent a lot of money to their families, and supported the deficit of the Lebanese budget.

Lebanon’s economic system provided the country a higher standard of living than most countries in the Middle Eastern region. During the civil war, the Lebanese economy of services sector was largely damaged, but it continued its economic progress since 1990, despite the political crises and a huge burden of a public debt that reached nearly 34 billion dollars in 2003.
The “Laissez- Faire” economic policy was in harmony with the multi – sectarian society. It created a real modernized society but only in the region of Greater Beirut, including the capital and a small part of the central Mount Lebanon. Other Lebanese regions, in the South, North, and the Beqaa Valley, are still entangled with their old traditions. The radical Lebanese reformers oppose the “Laissez Faire” policy, and expect that the Lebanese government should ensure a modern administration, and an equitable economic and social distribution that will benefit all sects and regions in the Lebanon.

“The civil war 1975-1990 changed the hierarchy of Lebanese regions in an unequal development, since the south and the Beqaa have progressed on the expense of the North, whereas Beirut and Mount Lebanon increased their social, economic, political urban and cultural domination. In 1997, Beirut and Mount Lebanon had the highest revenue per capita… Few recommendations are needed to accomplish a balanced regional development: Achieving a national strategy for regional development requires a strong state, willing to undertake development actions which outcomes may not be perceptible on the short-term.”( UNDP Conference on economic and social in Lebanon 2000. p.136).

In the frame of a comprehensive environmental policy, Lebanon needs an administrative decentralization and the creation of regional authorities. The Lebanese government can invest in the Lebanese human resources and the specialized educated youth. It is urgent to encourage public and private investments that are important to promote, besides financial markets, various types of high – tech and agricultural industries, telecommunications, health engineering and information technologies, as well as tourism and leisure activities.

D- Improvement of the Lebanese Administrative System during the last fifteen Years.

The Taif Agreement has provided a basis for the new socio-economic changes in Lebanon. The rate of GNP growth for the year 1991 was very high, 15 -20 %. It was due to the normal economic activity after 15 years of destruction. The rate of growth for the years 1992 – 1995 was considerably lower.

On the other hand, the poor infrastructure of roads, electricity, communications, restoration need a huge sums of money for normal resumption of economic activity after a long civil war and several battles in many Lebanese regions, especially in Beirut and Mount Lebanon. War ravaged the infrastructure and the government did not secure a large amount of foreign Arab and international aid to begin repairing it.

The tertiary service sector was destroyed. The agricultural sector sustained a large part of the Lebanese population in the countryside. The cost of production was very high. The majority of industrial and commercial enterprises were deeply undamaged, with no significant industrial production.

Inflation and unemployment were both at around 40 %. The Lebanese Pound dropped in value from 3,5 LP to 1$ in 1985 to more than 2000 LP to 1$ in 1992. From 1991 to 2004, the Lebanese cabinets continue to borrow from internal and foreign banks with a high rate. The governments continue to run massive budget deficits with massive public debts. The deficit of the budget has reached more than 45 % of the whole GNP, and the Public Debt has reached the sum of 34 billion dollars for the year 2003.

Because of the very negative results of the civil war, the Lebanese state is in a critical condition. Since 1991, it is running an annual budget deficit from 45 to 65 of its GDP. Estimated at 4 billion dollars in 1991, the public debt reached more than 35 billion dollars in 2004.
The restoration and reconstruction process depends only on the energy and resources of the Lebanese themselves, residents and emigrants. The European Union presents real financial, economic, technical and cultural aids. The foreign assistance to Lebanon is a strategy needed to strengthen the feeble capacity of the Lebanese Public Administration.

This process takes into consideration the reinforcement of the organs of accountability, and training of the human capital resources. Accountability and training of human resources are the key of real socio-economic changes in the public administration. Lebanon needs an urgent democratization of its public administration, Parliament, Municipalities, Judicial administration, Media, education, economy, and public sector.

The Lebanese administration needs urgent deep changes in many ways, in order to execute the following reforms:

a- Reconstructing the infrastructure of the Lebanese administration on the basis of international norms of an administrative innovative theory.

b- Exchange of experiences in public administration reforms with some Arab, Mediterranean and European countries.

c-Promote the capacity of the central Lebanese administration to collaborate with regional institutions, to exchange information, knowledge and best practices in many fields.

d- Enhance the transferability and the implementation in the field of best practices and innovative experiences in public administration between the Lebanese government and some Mediterranean and European governments.

Therefore, the recent dialogue between State Ministry for Administrative Reform, in Lebanon and the European Commission Delegation in Lebanon, and the Council for Development and Reconstruction, reached an Agreement signed on 14\textsuperscript{th} of January 2004. The financing agreement for the AFKAR project was € 1 million from the European Union. It intended to encourage and support civil society initiatives.

The specific objectives of AFKAR are as follows: Reinforcing the interventions of civil society organisms within an inter-communal dialogue in the following target sectors: Citizenship, Inter-communal dialogue, Support to vulnerable groups (drug addicts, migrant workers, refugees, ex-detainees, elderly…). The interaction among the different actors of civil society in view of promoting dialogue and common actions among the different concerned players.
Part III: Lebanese Administrative Innovation

A- Western Democracy and Traditional Sectarian Administration

The administrative innovation is defined in this paper as a process of gradual modernization in order to transform or replace traditional institutions in Lebanon. The process was promoted under the influence of highly educated intellectuals in new sciences and modern technology. The modernization process focused on rationalism, democracy, viable institutions, liberal economy, developed private and public sectors, rising standards of living, and planned development of national resources.

The “economic miracle” in Lebanon during that period enhanced the necessity for radical reforms of the Lebanese political system and administration. President Fuad SHIHAB, with his reformist group was anxious for the future of Lebanon among the military regimes during the open Arab–Israeli conflict that led to many wars. They opened the door for radical reforms of the country with a strong opposition of the traditional sectarian leaders. They urged to preserve a liberal and democratic regime on one hand, and a nearly balanced political sectarian system on the other. They developed a new bureaucratic administration with a new form of modern institutions. The majority of the traditional leaders did not support these bureaucratic innovations. Personal interests and sectarian leaders unified their efforts to stop radical reforms of the Lebanese administration. Lebanon is still facing the dilemma of trying to preserve the pluralistic even mosaic sectarian society and to develop the sense of “Libanism” feeling as a necessary step to a modern state and a good administration.

Therefore, with the Shihabi radical reforms, Lebanon’s policy was oriented to the gradual change by democratic methods and not by a military putsch. The reform is still very difficult in a country where the priority is given all the time to preserve traditions of liberty of sectarian communities and ethnic groups.

During the twentieth century, the Lebanese administration accomplished, step by step, a real gain in cultural, economic, and political fields. These gains were the result of the Lebanese Formula for governance based on consensus and reconciliation between political leaders of traditional families and sectarian communities.

To conclude here, in Lebanon the past is very much alive. Religious beliefs remain strong and sectarian institutions still play a significant role in the political system, in public administration as well as in daily life of the majority of the Lebanese population.

B- Leading Forces in Lebanese Public Administration

The Lebanese employees are nearly fully equipped with new sciences and technology from Western countries. They need to change the inherited public administration and traditions of Ottoman and French decrees in the Lebanese public sector. The Law for organizing political parties in Lebanon inherited from the Ottoman Law of 1909 is still active until nowadays. Under the Mandate period 1918-1943, Lebanon adopted a modern constitution, a republican regime, an elected parliament by popular vote, a president of republic elected by the parliament, a council of ministers, an independent judiciary, and a modern fiscal system. All these institutions are nearly still active until now with a little change by the Constitution’s amendment of 1992.
On the other hand, the private sector has completely changed to become one of most developed private sectors among the Arab countries. Because of inherited factors in the Lebanese administration, the public sector became one of the under-developed sectors among new democratic countries.

Since 1943, the successive Lebanese cabinets did not execute any real administrative reform. However, they proclaimed, and are still proclaiming, the right of all citizens to equality, freedom, and economic security. They encouraged the development of professional civil services. But Lebanese traditional and sectarian leaders still have a strong power on their followers and on the Lebanese administration. They owe their stable position to the traditional role of their old families as rulers of Lebanese districts, and to sectarian ties as were adopted by the Lebanese sectarian system. The Lebanese Political Formula is still active since 1943. It shows how the country is governed on traditional norms set by the consensus of great sectarian leaders.

C- Lebanese Administration and the role of the Modern State

The modernization of Lebanon was almost done by its dynamic private sector. The Lebanese state has played a small role in the modernization of the public sector. However, the dynamism of the economic and social private sector needs a strong role of the state to ensure the stability of the country, and the reform of its political system and public administration inherited since nearly one hundred years. The private sector played a pivotal role in the whole fields of services, schools, high education, mass media, information, communications Since a long time, this sector strictly collaborated with Western and Eastern countries through trade, investment, missionary activities, Lebanese emigrants. The highly educated Lebanese elite can play a big role in the administrative system.

However, despite the dominance of the private sector, the Lebanese state played an important role in developing an adequate economic climate for attracting private investment in tourism, finance, trade, services, health and education. The openness of the Lebanese economy and the government “Laissez –Faire Policy” encouraged businessmen and entrepreneurs to take on an intermediary function in east Mediterranean economy. Hence, in the whole period of 1943-1975, Lebanon became the “Pearl of the Middle East”, and created a real “Lebanese Economic Miracle”.

Many economic and political studies described Lebanon of that period as “a gateway between Europe and the Eastern Arab countries”.

Therefore, Lebanese elite considered that the sectarian regime and the National Pact Formula leave little room for a comprehensive modernization and a deep socio-economic changes including all Lebanese communities and regions. Accordingly, Lebanese intellectuals are still hesitant as for the future of this country after the failure of the many administrative reform attempts. Sectarian leaders, unified now under the name of the Governmental Troika, opposed and are still opposing all kind of radical reforms in the public sector.

Lebanon has a large number of public sector employees that urge administrative reforms, and radical socio-economic and political changes. The number of employees in this sector increased from about 120,000 in 1992 to nearly 180,000 in 1998. Furthermore, and because of the negative effects of a long civil war, Lebanese administration became highly politicized. It handed out jobs according to political nepotism rather than merit and eligibility. Some politicians inside the Lebanese government established a new “parallel administration” and reinforced prerogatives of their own “councilors”. The years 2000 -2004 were marked by the weakness of monitoring procedures and marginalized older and experienced Lebanese bureaucracy.

Post-war government frequently talked about administrative reforms, created a Ministry of Administrative Reform with a generous financial aid from The World Bank and The European Union, but concrete measures of reforms were very limited, even non-significant.
The Lebanese administration is now witnessing a big number of corrupted employees at all levels. The future of Lebanon’s young generation is largely depending on real change in the Lebanese public sector. The private sector is so small in Lebanon. More than 10 thousand of well-educated young Lebanese quit the country every month. The situation is becoming very critical. Without a radical change inside of the administration and the public sector, the crises will soon undermine the National Pact, the preservation of the political sectarian system, the national identity, and the assurance of basic freedoms for all Lebanese communities.

With a slow reform, Lebanon can achieve a sound project of a modern state that promotes tolerance, sustains stability, and develops democratic values. The sectarian formula becomes inadequate for political and socio-economic modernization. Radical Lebanese intelligentsia believes that the sectarian political formula should be changed to increase the capability of the Lebanese government to undertake a full and radical change in the public sector. The government should reform the bureaucratic system in order to develop the Lebanese administration.

However, for over half a century, Lebanon’s successive cabinets witnessed changes in the administrative and public sector bureaucracy. The question is: how can we change the administrative bureaucracy without changing the political sectarian formula? The council of ministers holds ultimate control over the bureaucrats through its power to dismiss and transfer. Nevertheless, the upper bureaucrats have strong political support from big leaders and execute their policies inside the public sector. Since upper bureaucrats are permanent while cabinets change frequently, and since ministers depend heavily on great leaders and upper bureaucrats for policy formulation and execution, the radical reform has never succeeded. The relative stability of the public sector is a result of the stability of the upper bureaucrats that lasted until 2002. Recently, the government gave the right for the minister to change highly ranked bureaucrats in his ministry for simple personal reasons. In 2002, more than 45 high ranked bureaucratic directors were dismissed from their own posts and became related to the Prime Minister office without any actual job.

So, the actual Lebanese administration and public sector are witnessing a period of suspicion, instability, and inefficiency. Yet, with a liberal political regime, the process of modernization in Lebanon can be easily adopted more than in any other Middle Eastern country, the reason being that Lebanon has a significant number of well-prepared modernizers or “new elite” who attended Western universities and international models of good institutions. They are very successful in the private sector or business clubs. If they are allowed to reach high positions in the Public sector and administration, without any sectarian or political interference, they can achieve the modernization of the Lebanese State.

The radical administrative reforms in Lebanon need an urgent plan for a gradual modernization of the country. The main points of these reforms are:

1- Elimination of the major sectarian limitations and the tradition of division of administrative seats between leaders of sectarian communities.
2- Encouragement of the New Elite at key positions in the government.
3- Radical changes in the old institutions and Laws.
4- Development of the political regime and democratic institutions.
5- Adoption of a universal plan to curing illiteracy, social ills, unemployment, and problems of the Lebanese emigration.
The Lebanese prefer a more democratic political regime, a new liberal economic and social system, a new developed institution to ensure the free development of all sectarian and ethnic groups of the country, a new policy of good modernization to enhance social security and free co-existence between sects and ethnic groups. Lebanese administration needs a special kind of gradual modernization with a political stability without any kind of radical ideology or military regime.

The public administration in Lebanon is still suffering from the negative effects of the long civil war. The majority of qualified personnel were attracted to the private sector or abroad. Militia leaders with their affiliated bureaucrats still have strong posts in the executive central administration. The public sector suffers of very low wages since 1975 and an over unqualified personnel at low-level posts. Absenteeism is also a big problem for the Lebanese public administration with a widespread of an open corruption in many sectors. The big lake of the public sector is also the priority of sectarian nomination over the merit criteria in appointments and promotions. One should mention the chronic deficits of the budget as well as the accumulating national debt that reached more than 34 billion dollars for a small population of less than four million peoples.

The main objective of foreign assistance to Lebanon should be to increase the capacity of the public administration in order to keep the fragile peace. Lebanon needs an urgent socio-economic development in its political institutions. The main goals of this study were to examine the public administration and its inherited problems since Ottoman and French Mandate periods. This administration needs to be revised, modern representative institutions should be created, and conditions of real democracy should be adopted.

In concluding remarks, the public administration is in urgent need of help. It is the key sector to develop Lebanon toward a real modern state. It contains the central system of the national Lebanese unity and can affect positively the non-governmental foreign aid programs. The European assistance for public administration in Lebanon can focus on the public sector at all levels. There is a real possibility to collaborate with national executive institutions in Lebanon such as the Ministry of Administrative Reform, the Civil Council and the National Institute for Public Administration, the National Institution for High Rank Administrative Training and the Central Inspection Commission.

Lebanon will largely benefit from the Euro-Mediterranean Partnership in many ways. The European assistance proposed some agreements to support the Lebanese economy, especially in export and import trends, foreign investment, public subsidies, and budget deficits. The European financial assistance system designed to facilitate the normalization of the Lebanese political and socio-economic regime after more than fifteen years of civil war.

The European Program could make good use of training for new staff in public sector, modern office and computer equipment. The assistance includes environmental, human rights, women’s, and handicapped rights groups who are in continuous need of training and equipment. The Lebanese government should fight against corruption and revised the old administrative decrees.
C- Lebanon’s Modernization in The Globalization Era

“Globalization as a process integrating economy, technology, culture and governance across national borders shrinks time and space and blurs national borders….Lebanon engaged in early form of globalization and accumulated significant historical capital through literacy and education, cultural exchanges and acquisition of linguistic skills, intellectual and organizational renewal, and coexistence and emulation. From of critical perspective the balance of exchange between Lebanon and the globalizing world could be negative: brain – drain of the best of its minds, and “openness” to the world as a safety valve to deflate internal crisis reduce pressure for reform and change” (Globalization: Towards a Lebanese agenda, 2002, p18).

Geographical location, history with extensive cultural and economic connections with Europe and many countries in the West and the East, have made Lebanon one of the first globalized countries in the Middle East. It was and still is a trading and exchange center for ideas and goods. Lebanon was the first Middle Eastern country that often called on advanced nations and international organizations for technical advice. Hundreds of experts from many countries have studied, reported and made recommendations about the extensive change for many Middle Eastern country.

They also enhanced a large collaboration with the Lebanese government in order to modernize Lebanon’s public sector, administration, Postal Office, tax structure, police administration, Lebanese Army, public institution, Human resource and development programs, Lebanese television and Lebanese radio, telecommunication sector, public cooperatives, agricultural sector, industry and crafts, as well as many other fields.

Since the 1990’s, the European Commission reports started an immediate dialogue between European Union and Lebanon. The aim was to support stability and peace in the East of Mediterranean countries. In this way, the Euro – Mediterranean Partnership initiative was considered as a “necessary ambition for the European Union which cannot maintain its prosperity and deepen its integration without stability and prosperity in its immediate neighborhood”. (The European Commission, 1997, p.2).

Lebanon’s economy has always been centered on the Mediterranean region. This tendency has been exacerbated in the post – war reconstruction period. In 1996, over 35% of Lebanon’s imports originated from European Union countries and about 10% of its exports were destined to EU countries. Lebanon received important financial and technical aids from these countries.

The Euro – Mediterranean Partnership Agreement with Lebanon is based on three components: economic, political and cooperative.

For The European Union, several special responsibilities or obligations are essential to contribute in the success of the partnership with Lebanon:

“1) A systematic encouragement of institutional capacity – building in Lebanon dealing with rules of origin, intellectual property rights, and competition law.
2) The European Union side must intensify cooperation to contain sources of disequilibrium. This includes s but is not limited to financial assistance.
3) There is a need within the EU system to reduce the reluctance to opening some markets, such as agriculture even if this is an extremely complicated and difficult matter. The EU has to be flexible when designing, with the Lebanese authorities, systems of intellectual property rights and competition laws”. (Pathways to Integration, 1997, p13).
During the last fifteen years, The European Community initiated a New Mediterranean Policy also known as Renovated Mediterranean Policy with the aim of enhancing its Mediterranean links. Lebanon emphasizes the advantages to gain through its historical special link with Europe including the ability:

1- To gain access to European Union markets
2- To integrate its economy into European system
3- To adapt to world competition and to the rules of the World Trade Organization (WTO)
4- To take advantage of European support in order to implement the necessary administrative and public reforms
5- To benefit from effects induced by the association with the European Union, notably in relation to foreign investors. (The European Commission, 1997,p.15).

All these factors call for intense Euro – Lebanese common policy to develop public and private sectors and civil Lebanese society. The Lebanese government can increase an active participation in a national campaign for the upgrading of the Lebanese economy and public administration. At the same time, the Lebanese government should sustain the ability of the private sector to attract new capital, to engage in common agreements with European firms, and to find new markets both in Europe and in the Arab countries as well as in Asian markets. Needless to say that after fifteen years of a very criminal civil war, Lebanon was burdened with high budget deficits and economic stagnation. It has to adopt urgent necessary fiscal reforms to make up for the loss of its high returns from trade with European Union. At the same time, while the Open Trade Policy with foreign countries might benefit large Lebanese exporters and investors in Lebanon, it could affect negatively the sustainability of small and medium size Lebanese entrepreneurs and lead to company closures, wage reduction, economic stagnation, agricultural and industrial crises. It could also increase unemployment rate, and lead to a massive immigration among Lebanese youth and high-educated young generation. The Revenue Losses and The Free Tax Policy adopted by the Lebanese governments after the year 2000, negatively affected the Lebanese middle class in its purchasing power.

All these factors have a great importance on the role of the Lebanese public policies in mitigating the adverse consequences of trade liberalization and Privatization Policy. The structural reforms adopted by the Lebanese government in the last five years were taken under the forces of Globalization, Trade Liberalization and Privatization Policy. As a result, the social budget was largely diminished. In 1999, for instance, the budget of the Ministry of social affairs was reduced by as much as 27.5 %, and the budget of Ministry of the Environment was reduced to 53%. Given the budgetary constraints and Public Debt, the Lebanese public sector stands to lose its historical role under the Shihabi Reforms to become the “Sick Man” of Lebanon under the new Free Trade Policy that largely benefits only the private sector.

It is very important to mention here that many major development projects were being undertaken with the recourse of European advisors and consultants, with a large financial aid from international institutions and developed countries.

Foreign technicians, training Lebanese employees in management techniques, often served as pioneers in the modernization of the public sector and administration to sustain its role side by side with the high-qualified private sector. The foreign technicians served the Lebanese population by bringing them in contact with other civilizations, technologies and cultures. However, to profit from the promised benefits of the partnership with the European Union, Lebanon needs to devise incentive - led policies promoting employment, job creation, training, education, sustainable development, and technology transfer, both in the private and public sectors. (S. Atallah, The Euro – Mediterranean Partnership, p.5).
More than in any Middle Eastern country, Lebanese emigrants play an important role in the development of their country. They are dispersed throughout all regions of the world, and their number is considered more than twice that of the actual residents. Around eight million Lebanese citizens reside in foreign countries, constituting a pivotal tool in the modernization of Lebanon, and bringing strong and stable financial support to their families.

The Lebanese Ministry of Reform published in December 2002, an important report entitled: “E - Government Strategy Reform for Lebanon”. The major reform points being as follow:

In summary, this document provides an all encompassing strategy for the realization of a Lebanese E-Government initiative. It provides an E-government vision for the Government of Lebanon based on the attainment of a number of key strategic objectives while stating the required underlying principles. It proposes a national focal point and identifies the various key players in both the public and private sectors required for the achievement of this E - government strategy. It covers three major modules.

1- A comprehensive situation analysis of E-government enabling achievements till date in Lebanon with details on the various relevant assessments and studies, the status of the national telecommunications infrastructure, deployed systems and applications, training and capacity building efforts, legislative work and the national awareness campaign.
2- It describes the required E-Government framework (legal, technical, services and capacity building/promotion/operations) that needs to be fulfilled.
3- It describes the necessary planning steps for a phased implementation. A number of priority (anchor) projects are presented followed by a high level plan for the completion of the overall work as part of this government program with an anticipated duration of 7 years, provided the required funding is secured.

The E-government vision for Lebanon centers around the attainment of a number of strategic objectives based on citizen and business-centric approaches. These are made possible by the facilitating role of Information and Communication Technologies and backed by the required institutional and legal frameworks. These objectives can be summarized as follows:

- Dissemination of all public sector information that a citizen is entitled to through various communication channels, the Internet, via hotlines, through government service centers, etc.
- Fulfillment of all public sector services for citizens online, whether for their individual use or on behalf of an establishment, through any government office or through the Internet regardless of the geographical location of this office or the residence of the citizen.
- Reduction to a minimum of the information and supporting documents required of a citizen to fill out a public sector formality regardless of the means by which this formality is being submitted.
- Provision of a single point of notification for a citizen to use in informing the government of any change in personal or business information. From this point, all concerned government information systems will be updated accordingly.
- Realization of all government procurement processes online based on a harmonized commercial coding schema. This is to serve as the leading example for electronic commerce on the national level and hence is intended to foster its growth.
- Attainment of all intra-government information exchanges and communiqués online, reducing in the process the dependency on courier services and/or the diplomatic pouch.
For the Lebanese Government, the benefits can be described in the following areas:

“Better management of resources hence placing the right person in the right position, Streamlined operations and simplification of procedures, hence more efficiency, reduction in transaction time, hence cost reduction per transaction, enhanced operational accountability and transparency, hence less chances of error and forgery, electronic transfer of authenticated forms between government agencies, hence reduction of transport and other cost related elements, less storage space needed forarchiving documents, hence less spending on rent, government spending when and where needed through analysis of data, hence anticipated and studied budgeting, better services offering to the government employees and the citizen, hence a supported government, revenue generation instead of revenue spending through the savings done, the creation of new jobs, the targeting of studied investments, projects done more efficiently through lessons learnt”.

The project provides training and capacity building of required human resources and operations and maintenance expenses. The idea of taking a percentage of the increase in government revenue as a result of E-government applications and reusing it in the financing of new e-government applications needs to be qualitatively and quantitatively assessed.

The Lebanese society becomes more E-educated and connected to the national information infrastructure through the Internet. With a current base of only some 7% of the population as Internet users, a pragmatic success criterion would be to have a 3% percent of the population increase in terms of Internet users every year for a period of 6 to 7 years, making the Internet usage rate some 25% of the population by the end of 2009.

E-government applications will become more utilized directly by the citizens instead of through government clerks as intermediaries. Productivity of civil servants increases at a rate of between 10 to 15% per year over the 6 to 7 year span of the E-government roll-out. This rate will vary and could increase this bracket depending on the type of e-government application at hand information portal, services portal or inter-government administrative portal, etc. Paper-based government information and services get reduced by a rate of 7 to 12% per year, with the target of having only 25% of such government information and services still in existence by the end of 2009. Government revenue from services rendered through E-government applications increases at a rate of 15 to 20% per year, with the objective to have a two-fold increase in revenue by the end of 2009. Government operations and procedures get simplified and streamlined at a rate of 10 to 15% per year, with the target to have full simplification of procedures and streamlining of operations by the end of 2009. (E-Government Strategy for Lebanon, Beirut 2002, Summary PP, 3-18).

In a final remark, “We must be innovative because the European – Lebanon’s partnership is not a miraculous arrangement which will solve all problems. It is based on what we want to achieve collectively, as well as on our collective responsibilities. Existing networks and human resources can help to serve and broadcast these possibilities. Both sides should be innovative in order to maximize the potential of relationships and construct a true partnership, which is not purely bureaucratic, but collectively rewarding and challenging”. (Pathways to Integration, 1997, p13).
Concluding Remarks

Lebanon is a country of permanent political consensus and reconciliation. It differs from most Arab and Middle Eastern countries by many means. As a result, its National Pact Formula succeeded in preserving independence, maintaining democratic institutions and liberal economic system. The confessional balance often protects the country against revolutionary and military putsches. The Lebanese administration is based on the spirit of conciliation. Major conflicts were avoided, stability of the country was maintained, and liberal pluralistic administration was supported in order to open the door for the modernization of the public sector in parallelism with the developed private sector.

Unlike the modernization of the majority of Middle Eastern countries guided by military elite with radical nationalism and totalitarian ideology, Lebanon’s modernization is supported by its private sector and its liberal westernized elites. Since the end of the civil war in 1990, the Lebanese state failed to assume again a leading role in the economic activities and public administration. His intervention in both fields was far from successful. The long civil war (1975 -1990) gradually put an end to the adequate economic climate that was known to Lebanon before.

By 1991, Lebanon had already lost a large part of its privileged position as “The Pearle of the Middle East”, and as “The gateway between Europe and Middle Eastern countries”. Its economy began to show structural economic and social imbalances. And its political regime showed deep crises in many occasions. The weakness of the Lebanese public administration between 1975 - 1990 led to the stagnation of the public sector that was and still is nearly paralyzed by the conflict between the political sectarian leaders. State participation in economic, social and educational activities became fruitless. The private sector showed also a clear fragility and weakness in many fields because of regional interference on Lebanon, and unfair competition with foreign investments. Even after the end of the civil war in 1990, the fiscal policy in Lebanon is still mostly improvised and without a strategy or a comprehensive plan. The Lebanese fiscal policy often gives priority to yield collection of tax revenues with a very small rate to the socio – economic changes and public reforms. As a result, the Lebanese administration became highly corrupted and very inefficient.

However, monetary policy in Lebanon after the end of the civil war in 1990 targeted at stabilizing the Lebanese Pound exchange rate and controlling the inflation rate, and money growth.

“The main economic developments over the 1993 -1996 period can be summarized as follows:

1- A sustained high real growth rate of GDP for a short time, followed by a slow-down in 1996 due mainly to the Israeli attacks in April 1996 and to regression of the construction sector.
2- A sharp reduction in the inflation rate.
3- The stabilization and the appreciation of the exchange rate of the Lebanese Pound against the major currencies in both nominal and real terms.
4- A decline in the money growth rates.
5- The return of confidence in monetary stability.
6- The inflows of capital and the process of de-dollarization have allowed the Central Bank to more than triple its international reserves over the period of 1992 -1996 ...(N.Saidi, Growth,…1999. pp 338 -339).
“With public expenditures by 1998 running at almost 40% of GDP and the trade deficit at $6.345 million, both public accounts and foreign trade reflect worrying imbalances. At the same time, globalization, which is increasing interdependence and competition in world markets, compels Lebanon to revise and modernize. The country cannot keep ignoring international trends that favor free trade, more specifically with the countries of the European Union. The EU is committed to establish with the Mediterranean countries not only a free trade area, but also an area of economic and social stability”. (Nasr, and Melki “Can the Lebanese fiscal system meet the Euro-Med challenge? In, S. Atallah, The Euro – Mediterranean Partnership, 2000, p.9).

The crushing weight of deficits and Public Debt threatens the overall Lebanese economy and political regime. Lebanon’s traditional role as a gateway of trade for the whole Middle Eastern area was challenged by a new open economic center and another free market regime such as Dubai.

However, Lebanon still has its attractive charm for tourism and services sectors. Its adherence to the Euro-Mediterranean Partnership can be used as a positive opportunity for a new public policy and administrative reforms. The partnership agreement with the European Union was a strategic initiative of primary importance for Lebanon, especially at a critical period marked by the challenges of both war destruction, and fiscal and economic debts. It presented Lebanon with the opportunity to a large process of reconstruction, modernization, foreign investments, public and administrative reforms. The agreement gave Lebanon also chances for long – term economic growth and financial assistance. It was much more important than just free trade. The ambition was to create a deeply integrated European – Mediterranean market, with a harmonized regulatory framework and a coordinated approach to economic and social problems. On the other hand, Lebanon should enhance the capability of his public sector through a deep administrative reform program with the objective of increasing its efficiency and performance.

Actually, implementing reforms in the Lebanese sectarian civil society under a very corrupted administration and inefficient public sector is not easy. The reforms should englobe government, political system, parliament, associations, municipalities, public sector, and education. The solution begins with structural reforms and deep changes in the government’s fiscal, public debt, economic and social policies. It needs to reduce current spending and unproductive expenditures through a decrease in the expenses of the public administration, parallel increase in the qualifications, reduction in the size of government apparatus, especially the military, and an improvement in its efficiency and effectiveness. It needs also a reform program providing rehabilitation for the administration and its machinery, and training for its personnel. Finally, Lebanon needs to modernize the institutions of the productive sectors by re-organizing them, developing their administrative capacities, transferring modern technologies, and opening outside markets for Lebanese exports. Lebanon must define its socio-economic development reform program and address the European Union with all its needs in order to benefit from all that the latter has to offer”. (Ghaleb Abou Mosleh, The Euro-Med Agreement and the Lebanese Financial policy. In, S, Atallah, 2000, pp. 74 -75).

Lebanon needs an urgent fiscal reform, a new administrative strategy to improve governance and rehabilitation of its public sector. On the other hand, the Privatization policy could allow the Lebanese state to reduce expenses while creating new opportunities for employments, investments, and effective foreign assistance. Reform programs should not be restricted to managing public debt and budget deficits; they should also include reduction in the public sector payroll, as well as in the political, economic, administrative, social and educational fields.

On the other hand, privatization should not be treated as an end in itself. “Privatization per se is not a magic recipe. Transforming a public monopoly into a private monopoly does not constitute a solution to economic stagnation”. (B.Khader, The Euro-Mediterranean Partnership, 1999).
In addition, the Trade Liberalization and Free Tax Policy adopted by Lebanese governments did not have positive effects because structural imbalances persist on the financial and budgetary levels. The assistance of European Union is highly appreciated here for technical and financial support of the Lebanese administration. European Assistance Program should encourage both private and public sectors, developed stock markets, and revitalize banking systems. In this process, European Assistance schemes and policy measures will be required to protect small and medium-sized enterprises and increase their competitiveness and sustainability.

Lebanon can rely on The European Union for technical and financial assistance. In Lebanon, many consider that the new agreements between Lebanon and European Union should support this country to respond to the challenges of the globalization process. The most important problem facing policy makers in Lebanon is how to develop private and public sectors together, and how to support the civil society with the collaboration of the European partners. The radical change of the Lebanese administration and the public sector is impossible without the approbation of these leaders who opposed any kind of modernization that can lead to weaken their own power. Only a new ruling class is able to introduce extensive reforms and to open the door for a new administration. It can bring benefits of modernization, modern sciences and technology to the middle and lower classes of the Lebanese society.

On the other hand, the mass media is the major instrument in the spreading of modern ideas in Lebanon. Beirut was and still is the main center of free magazines, televisions, radios, and newspapers. It is a great center of translation and transmission of liberal and democratic ideas, and the main center for high education.

In a final remark, Lebanon needs urgent intensive reforms in many fields in order to: Reduce the budget deficits and public debts; generate additional revenues and stimulate internal financial and economic markets; attract foreign assistance, and introduce new technology; adopt a rational privatization with economic recovery measures; and benefit from the access to European markets and investments.

Lebanon’s Agreements with the European Union offer this country considerable opportunities. They open to him new horizons for investments, administration training, and modern technology. However, the European Union makes its financial aid conditional on the implementation of specific projects or policies. The Lebanese economic regime can largely profit from this aid because it is traditionally liberal, and culturally oriented to Europe since many centuries.

Lebanon needs a clear governmental and reasonable public sector, modern administration, industrial small size infrastructure, and a very competitive economic system. The European Union and some Arab partnership countries offer Lebanon an excellent opportunity to increase exports, and to make local products cost effective and export oriented. They are ready for large assistance and cooperation schemes in Lebanon to support its economic transition from the civil war to the peace process and to enhance socio-economic development of the agriculture and industrial sectors.

The European assistance can help Lebanon recuperate a new economic and cultural regional integration that could gain him back its traditional and historical role in the Middle East. With a highly respected governance, an honest administration, and a modern public sector, Lebanon is able to attract foreign aid and training programs from many countries, especially from the European Union. The future of this country depends on a new government, a new and honest administration, and a new rational philosophy of life and socio-economic development.
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