

Corruption in post-war Lebanon: public means for private benefit

March 26th 2011

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Today's Lebanon is still struggling with its post-war reconstruction efforts, while political corruption has taken over the entire political apparatus. A fragile question of stability and development.

As one of the most complex and divided countries in the Middle East region, Lebanon has been at the heart of many conflicts for centuries. The international media often presented the previous **civil war** (1975-1989) as the outcome of hatred between Christians and Muslims, a battle between the left and the right wing, or the result of foreign interference (Palestinian or Syrian) in a regional conflict.

After the civil war ended in 1989, a peace accord was signed in Ta'if, Saudi Arabia. Power sharing was the proposed solution and it was integrated into a strategy for post-war state-building by Lakhdar Ibrahim, an Arab League envoy. Yet, today, the country is still struggling with its post-war reconstruction efforts, while political corruption has taken over the entire political apparatus.

This article seeks to elaborate on political corruption, which, according to many surveys among Lebanese citizens, has been pointed out as the most problematic national disease plaguing the country's stability and development.

The Lebanese History of Political Corruption

After independence in 1943, there were around thirty families in Lebanon who had enriched themselves during the 'merchant republic' of Lebanon. It has been argued that the political economy of Lebanon is built on these 'conglomerates'. The extent to which those families held monopolistic control over the main axes of the country's economy is impressive, especially when compared to the free trade pretensions of the 'merchant republic'.

Out of the 30 oligarchic families, 24 were Christian and six Muslim. In the first years of the independence, 13 of the 30 oligarchic leaders were elected as deputies, five of them held cabinet posts and one was nominated as prime minister. Within this context, it is worth mentioning that most deputies were and still are loyal to political 'za'im's' (tribal leaders). In other words, the political elites in Lebanon have to be satisfied politically, socially and economically.

Decades later, Lebanon experienced a devastating civil war between 1975 and 1990. During this period, the war not only devastated properties and infrastructures, but also severely undermined public institutions. As a result, the public administration is still the most undermined among the institutions, while the war turned most of these institutions into small fiefdoms for warlords and their protégés.

The Reconstruction Sector

The Ta'if Agreement had created a 'three-man show' or, in other words, a 'troika', consisting of the three presidents: the **President of the Republic** (a Christian Maronite), the **President of the Council of Ministers** (a Sunni) and the **President of the Parliament** (a Shiite). The fact that warlords entered the political arena after the civil war has shaped the political future of Lebanon remarkably. This measure provided the cabinet with old political families. After signing the Ta'if Agreement, during the first cabinet, President Elias al-Hrawi had no compunction in appointing his son-in-law and two prominent business associates as ministers.

Throughout the years, there has been a major critique of the government's reconstruction institutions, which are mostly linked to the Lebanese government. There were, and still are, many institutions in Lebanon that act without the checks and balances of neither government nor parliament. For example the CDR (Council for Development and Reconstruction), which reports only to the Prime Minister; the Council of South Lebanon, which is connected to the Speaker of the Parliament; the Fund for the Return of the Displaced and Refugees, which is connected to the Minister of Refugees; and the Higher Commission for Relief which is also tied to the Prime Minister.

Officially, there are two major institutions that manage the post-war restoration plans of Lebanon. These are the Council for Reconstruction and Development (CDR) and Solidere. The CDR was initially founded in 1977,

but it was revived after the civil war. As for Solidere; this is a private reconstruction company that is still reconstructing the Centre of Beirut. However, the real engine behind the reconstruction plans of Lebanon has undoubtedly been the late ex-Prime Minister **Rafiq al-Hariri**. During his term, he managed to transform the legislation in order to meet the aspirations of the reconstruction plans.

After Ta'if, the Council for Development and Reconstruction (CDR) asked the International Bechtel Company and the Lebanese Dar al-Handasa for a ten-year development plan to accomplish rehabilitation, recovery and development after the civil war (respectively 3, 5 and 2 years). Within this plan, there was a strong focus on infrastructure and services.

As mentioned earlier, the CDR is directly linked to the Council of Ministers and the Prime Minister, given that he reassures the budget for the reconstruction and development plans and the actual implementation of these plans. Yet, it has been argued that most of the contracts were signed through the bargaining and negotiating of the individual ministers of the cabinet, who receive a personal benefit from the deal that they make.

Networks of Corruption

Within this frame, it is quite remarkable that there are state institutions that operate without any kind of checks and balances by neither government nor parliament. These institutions make up the core of the Lebanese political system and they receive a lot of funding.

Hassan Krayem, a professor at the American University of Beirut (AUB) has argued that «the ways in which such institutions manipulate their funds suggests that some sort of distribution of benefits is taking place».

Through the control of the CDR, and consequently the finance ministry, the Sunni Prime Minister is getting hold of the political economy of Lebanon and its decision-making process.

Against this background, former **International Crisis Group** and **Transparency International** analyst **Reinoud Leenders**, who was based in Lebanon for years, argues that «the spread of corruption has everything to do with a seriously flawed approach to the rebuilding of the state and official views on its role in revitalizing the country's shattered economy». These networks of corruption in Lebanon can be viewed as a substitute for functioning, strong bureaucratic institutions.

Although it is quite difficult to prove political corruption, Leenders has tried to illustrate that corruption is taking place within public institutions in Lebanon. He has made an assessment of high political corruption in post-war Lebanon. Within this frame, he investigated the municipality, the healthcare, the airbus scandal (Middle East Airlines), the oil deals, the Beirut Port, the reconstruction sector, road works and the waste management.

Ultimately, the factors that caused political corruption seem to be: strong political interference in the administration, the appointments of former warlords as ministers and deputies, the lack of transparent and modern reforms, where the public sector can be penetrated quite easily.