CHARLES UNIVERSITY IN PRAGUE

MASTER'S THESIS

CHARLES UNIVERSITY IN PRAGUE FACULTY OF SOCIAL SCIENCES

International Economic and Political Studies

MASTER'S THESIS

POST-CONFLICT GOVERNMENTS IN LEBANON: THE FACTORS OF SUCCESS AND FAILURE

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Subject: IEPS

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THESIS PROJECT

Charles University Faculty of Social Sciences International Economic and Political Studies

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Working Title:

Post-Conflict Governments in Lebanon: the Factors of Success and Failure

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Thesis supervisor: PhDr. Lucie Hindlsová

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Topic Overview:

Since its creation as a state, Lebanon has witnessed a large number of violent conflicts, continuously destroying the delicate fabric of its frail statehood. From the 1970's on, the country unintentionally transformed itself into an ideal case study of various aspects of conflicts as well as its practical "testing ground". The Lebanese have not only encountered the arrivals and departures of various world armies and UN peacekeeping troops, but lived in a state of total chaos, a state of full out violence and war of all against all. Consequently the Lebanese government lost virtually all its immediate power to the armed factions who were able to control various districts of not only Beirut but the country itself.

In this sense, the understanding of the historical context of Lebanon's creation becomes crucial. When the French proclaimed the creation of Greater Lebanon out of their Mandate of Syria in 1920, it was intended to be a "safe haven" for the Maronite population. Most other Lebanese ethnic and religious groups were not enthusiastic about the new state, whereas the Muslims rejected the new state immediately upon its creation. The Maronites managed to preserve the independence of the Lebanon we know today, making it the first Arab country in which Christians are not a minority. Modern Lebanon's constitution of 1926 acknowledged and specified a balance between various religious groups, requiring that the president be a Christian, the prime minister a Sunni Muslim and the president of the parliament a Shi'ite Muslim. Furthermore, all religious groups were to be given positions in the Cabinet, with the number of positions proportional to the relative size of the religious communities. The Maronite community gained the majority, however, by 1960 Muslims constituted the majority of the population, contributing to the unrest of the system.

However, it is one thing to create a country but a completely different thing to create a nationality. If such a task was possible in a nationally conscious post-war Europe, such a task was not easy in Arab states, where the matter of national loyalties was blurred and veiled under traditional loyalties of other kinds, more often than not in conflict with each other. In Lebanon, the forces of Arabism, acting both from the inside and outside of the country, stood against the social forces of "Lebanism", blatantly colliding as soon as the French mandate came to an end. These forces collided on every

fundamental issue. Thus it is not surprising that the original proponents of "Lebanism" were Maronites, while the proponents of Arabism were the Muslims.

It is these essential underlying elements that keep Lebanon an interminable outstanding issue.

Thesis Objective:

The intention of the proposed thesis thus becomes to look at the consecutive post-conflict Lebanese governments, in order to understand the causes of the lack of governmental control and its relevance to the historic and social aspects of the Lebanese conflicts. It will also attempt to provide a critical insight into the political situation in the context of the politicians that emerged from the civil war years in the sectarian landscape of Lebanon, specifically figures such as Walid Jumblatt, Samir Geagea, Rafic and Saad al Hariri, Musa al Sadr, and Hassan Nasrallah.

The proposed thesis will attempt to establish the factors of both success and failure of the governments with the goal of applying the results to the current Lebanese government in order to analyze and draw conclusions about its current status and abilities through a comparison to its predecessors.

Methodology:

The proposed thesis will be of an analytical nature, drawing conclusions from scholarly articles and print publications. News articles from the relevant years will be studied as well. A series of first hand accounts and documentary films will be used. Furthermore, the Embassy of Lebanon will be contacted in an attempt of requesting an interview or relevant print information.

To be able to analyze the situation and select the indicators of both governmental successes and failures a set of empirical criteria will be used. Amongst others these will include the levels of army control, levels of post conflict reconstruction, levels of security, death rate, GDP per capita, etc. in order to classify the consecutive governments according to their successes and failures. The emerging list of positive and negative classification criteria will then be applied to the current Lebanese

government in order to establish its status and make predictions as to its future based off of the cases of the previous governments.

Proposed Structure:

- 1. Introduction
 - 1.1. Methodology
 - 1.2. Overview of literature
- 2. 5. Analysis of consecutive post-conflict governments, their successes, failures, and relevance to the social and ethnic composition of Lebanon, with relevant insight into the prior conflict
- 6. Empirical data
- 7. The current government predictions based on comparisons to previous governments
- 8. Conclusion
- 9. Bibliography and Appendices

Overview of Literature:

In my preliminary research I was able to come across sources discussing the conflict in Lebanon from a historical approach. On the other hand, the sources on Lebanese governments have been mainly descriptive. The proposed thesis thus will attempt to comprise in itself information from a vast number of sources with a further goal to analyze it, producing an original work in the field.

Print Sources:

Chomsky, Noam, Mona El-Farra, Irene Gendzier, Laila El-Haddad, Jennifer Loewenstein, Hanady Salman, Rasha Salti, and Fawwaz Traboulsi. *Inside Lebanon: Journey to a Shattered Land with Noam and Carol Chomsky*. Ed. Assaf Kfoury. New York: Monthly Review, 2007. Print.

Fisk, Robert. *Pity the Nation: Lebanon at War*. Third ed. Oxford: Oxford UP, 2001. Print.

Friedman, Thomas L. *From Beirut to Jerusalem*. New York: Anchor, Doubleday, 1995. Print.

Norton, Augustus R. Hezbollah: a Short History. Princeton: Princeton UP, 2007. Print.

Young, Michael. The Ghosts of Martyrs Square: an Eyewitness Account of Lebanon's Life Struggle. New York: Simon & Schuster, 2010. Print.

Middle East Review of International Affairs

Publications by:

Carnegie Endowment for International Peace (Democracy and Law Project) The Washington Institute for Near East Policy United States Institute of Peace

Films:

The War of Lebanon. Al-Jazeera, 2004. DVD.

Under The Bombs. Dir. Philippe Aractingi. Perf. Nada Abou Farhat and Georges Khabbaz. Film Movement, 2009.

World War III: Beyond Lebanon. A&E HOME VIDEO, 2009. DVD.

DECLARATION:		
I hereby declare that this thesis is my own work, based on the sources and literature listed in the appended bibliography. I also state that the thesis has not been used to obtain a different or the same degree. The thesis as submitted is 204 667 keystrokes long (including spaces), i.e. 87 manuscript pages.		
Viktoria Potapkina	May 20, 2011	

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Abstract

The given thesis focuses on the consecutive post-Civil War Governments in Lebanon, in order to provide an insight to the instabilities the country faces. It seeks to understand the possible dynamics behind the failures of the post-conflict governments with the aim of indicating possible policy implications for future governments by examining the political and societal framework their predecessors operated in. To shed light on these aspects, the thesis provides overviews of the key events that influenced the actions and decisions of the respective cabinets.

The given work maintains that the continued inability of the majority of post-conflict Lebanese Cabinets to provide the country with good governance has caused the country's continued instable situation; indicating factors of good governance specific to Lebanon will thus enable governments to address a set of key issues crucial to avoiding political deadlocks and stabilizing the country's situation. The thesis thus concludes with a set of factors central to good governance in Lebanon, basing its assumptions on both the various approaches to measuring good governance as well as the regional specifics of the political climate of Lebanon and each consecutive government.

Anotace

Předkládaná diplomová práce se zaměřuje na sebe navazující vlády v Libanonu po skončení občanské války, za účelem poskytnutí náhledu na nestability v zemi. Práce také usiluje o porozumění možné dynamice, jenž se skýtá za neúspěchy postkonfliktních vlád, s cílem indikace možných politických implikací pro budoucí vlády. Toho má být dosaženo zkoumáním politického a societálního rámce, ve kterém jejich předchůdci působili. Objasněním těchto aspektů poskytuje práce celkový pohled na klíčové události, které ovlivnily akce a rozhodnutí příslušných kabinetů.

Předkládaná práce zastává názor, že pokračující neschopnost většiny post-konfliktních libanonských kabinetů poskytnout zemi "dobré vládnutí" způsobila pokračující nestálou situaci v zemi; indikované faktory "dobrého vládnutí" charakteristické pro Libanon tak umožní vládám adresovat soubor klíčových otázek důležitých pro vyhnutí se politickým uváznutím na mrtvém místě a stabilizaci situace v zemi. Práce tak dovozuje soubor faktorů ústředních pro "dobré vládnutí" v Libanonu. Své předpoklady opírá jednak o rozličné přístupy měření "dobrého vládnutí", stejně jako o regionální specifika politického klíma Libanonu a každé následné vlády.

Introduction

Topic Overview

In the 1920's the French used their League of Nations mandate to carve out of Syria what was to become the modern state of Lebanon in 1943, when the country gained its independence (Norton, 2007: 11). The terms of reference for Lebanon's independence were provided in the *mithaq al-watani* or the National Pact, an unwritten agreement between the dominant political communities of the time – the Sunni Muslims and the Maronite Christians, specifically President Bishara al-Khuri and Prime Minister Ryad al-Sulh. Three main issues were settled in the National Pact. Firstly, Lebanon was to be viewed as a neutral, independent and sovereign entity of an Arab character, a *wajh arabi*. Further, Lebanon was not to seek unification with Syria or the Arab world nor maintain special ties to the West in general nor France in particular. Finally, a confessional formula of representation was developed, providing a six to five ratio of Christians and Muslims respectively throughout the government. (Krayem, 2003).

What emerged in Lebanon was a formalized political system of sectarian communities, or confessions. The country's recognized seventeen sects¹ were given political privilege roughly proportionate to their size. This included senior appointments in the bureaucracy, membership in parliament, and positions in high political office. Although the system remained largely inexact in its distribution, the three highest political positions were always awarded to the Maronites, Sunnis and Shi'a. Thus the Maronites, considered the majority, were given the presidency and the preeminent powers that come with it, while the Sunnis, the second largest community, won the premiership. The third largest community, the Shi'a, were given the speakership of the parliament, a position far weaker in its constitutional powers than both the presidency and premiership. Thus the three formed a power troika. This allocation of power has its origins in a rather dubiously reliable population census of 1932, which in fact is the last official census ever conducted in Lebanon. Many see the data it provided as rough

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¹ The original seventeen sects included: four Muslim sects – Sunni, Shi'a, Alawi, Druze; twelve Christian sects – Assyrians, Syriac Catholics, Syriac Orthodox, Chaldeans, Maronites, "Rome" Catholics, Greek Catholics, Greek Orthodox, Armenian Orthodox, Armenian Catholics, evangelicals, as well as smaller Christian sects combined into a single other group; and Jews. At the end of the civil war another, eighteenth confession was recognized – the Copts. (Norton, 2007: 11).

estimates at best. (Norton, 2007: 11-12). This event consequently ended the dreams of the Sunnis for a "Greater Lebanon", united with Syria into a single independent state, who's history as a nation was greatly linked with that of Damascus. The Maronites, on the other hand, who had long seen themselves as allies of the French and the dominant power in the region, had to accept the fact that Lebanon was no longer an extension of Europe, but an Arab state. Nevertheless, neither of the groups spoke in a single voice, flourishing dissent. (Ibid.: 11).

Concurrently, many Western scholars began viewing Lebanon as the most stable democracy in the Arab world during the decades that preceded the civil war. The liabilities of the Lebanese political system however overshadowed its assets, as "the system has always had plenty of freedom but suffered from a lack of democracy", according to Salim el-Hoss (Krayem, 2003). The lack of equal opportunities for citizens and political accountability and responsibility of officials and institutions largely affected the democratic deficit and the country's rigid institutionalization, as it was and still is a "confessional system based on a formula allocating political and administrative functions to the major sects". (Ibid.).

Sectarianism plays a key role in Lebanese politics even today; it is a system that each government must learn how to function in. Moreover, Lebanon's political elite is generally interested in maintaining such a system as it proves to be a useful tool of control, serving two major purposes. Firstly, it creates a solid constituency for each of the elites, consisting mainly of lower and middle class co-religionists. These people believe that their access to resources is directly dependent on their association with the elite in a client-patron relationship. Secondly, the maintenance of the sectarian system allows the elites to diffuse the demands for reforms voiced by the lower and middle classes. Dividing these classes along sectarian lines and in such a way encouraging them to compete with one another for access to resources helped the elites succeed in achieving their goals. Accordingly, each member of the power troika is considered the top state representative of his respective sectarian community, having a great impact on the popular level in association with the logic of sectarian representation. In this context, the growing competition amongst the troika members may resonate negatively on the popular level, while rapprochement usually indicates stability. Furthermore, the successes or failures of each of the troika members in implementing policies are usually

measured as the losses or gains of the Maronite, Sunni, and Shi'a communities, or the two larger religious communities – Christian and Muslim. (Ofeish, 1999).

The political reforms of 1989, which were drawn up in the agreement that provided the framework for ending the civil war of 1975-1990, the Ta'if Accords, significantly rectified the imbalance of power between the "three presidents". However, abiding by the Ta'if Accords has proven to be a challenge for the politicians of Lebanon. (Norton, 2007: 12). Lebanon has a curious electoral system, intended to accommodate a "mélange of confessional spirits, diverse regional interests, and personal rivalries" (Ibid.: 97). Parliamentary elections have occurred every four years, only interrupted during the Civil War years. Constituents cast votes for each available seat in the district, regardless of the seat's confessional allocation. This system is intended to promote inter-sectarian alliances to persuade the electorate to vote for entire alliance lists, rather than individual candidates. Voters, however, often make discretionary choices. For example, the *al-tashtib*, or "crossing-out", a practice of voters scratching out the undesired candidates from the list, consequently voting for the remaining members is quite common. Occasionally, voters choose between lists, writing in names of the candidates they wish to see fill in the available 128 parliamentary seats. The seats themselves are divided among confessional lines, with twenty-seven seats for each of the three largest sects. (Ibid.). The Parliament then elects the President, whose task is to name the Prime Minister, who subsequently forms a Cabinet. (CIA World Factbook).

Subject Relevance and Structure

Although Lebanon oftentimes draws international attention due to its armed conflicts and crises, it is important to understand the reasons behind Lebanon's post-war political instabilities. It is the hypothesis of this thesis that the inability of the majority of post-conflict Lebanese Cabinets to provide the country with good governance has caused this continued situation of instability; indicating factors of good governance specific to Lebanon will thus enable governments to address a set of key issues crucial to avoiding political deadlocks and stabilizing the country's situation.

The given thesis focuses on the consecutive post-Civil War Cabinets in Lebanon, in order to provide an insight to the instabilities it faces. The purpose of this thesis is to indicate the successes and failures of consecutive Lebanese Cabinets from the end of the Civil War to the Government of Saad al-Hariri, which collapsed in January 2011, leaving Lebanon, as of the time of writing this thesis, once again in a situation of a political deadlock and a caretaker government. The given work seeks to understand the possible dynamics behind the failures of the post-conflict governments with the aim of indicating possible policy implications for future governments by examining the political and societal framework their predecessors operated in. To shed light on these aspects, the thesis provides overviews of the key events that influenced the actions and decisions of respective cabinets.

Beginning with the Ta'if Accords, the individual Cabinets will be introduced in a chronological manner, presented in the light of historical events that the individual Governments faced. As they form the executive branch, together with the President, certain crucial decisions of the Presidency will also be taken into consideration. As the Cabinet centers on the Prime Minister, the individual Premiers and their influences will be discussed. The key focus of the given work is, nevertheless, the respective governments, as they have shown to be the single most dynamic component of the Lebanese political system. This can be exemplified through the numerous appointments and reappointments of Prime Ministers, and consequent formations of the Cabinet². During the post-Civil War period Lebanon had seen four Presidents and only two Speakers of Parliament, while the number of Prime Ministers equaled to seven³. Their ability, or inability, to stay in power thus deserves attention.

Although the key focus of the given thesis is on the specific governments in question, it is also important to understand the roles of outside powers on Lebanese political initiatives. This is the reason behind the incorporation of the opinions of the international community, mainly led by the United States and France, as well as indications of Syrian political interference into the given thesis. With the intention of stepping away from a solely top-down approach, the given work also incorporates

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² For a table of Lebanon's post-Civil War Presidents, Prime Ministers and Speakers of Parliament and their time in office, see Appendix 1.

³ This number would increase to eight if the rival Cabinets of Michel Aoun and Salim el-Hoss would be counted. It is important to keep in mind that a few of the Premiers were, however, reappointed.

discussions about the effects of various policy actions on society, society's reactions as well as opinions of various politicians outside the Cabinet.

Rebuilding of the post-War economy is an important aspect in Lebanon, as it has received minimal aid and grants from donor countries, mainly basing their development on loans, consequently increasing their foreign debt. (Knudsen, 2005: 19). Furthermore, social inequality, which increased during the Civil War, is widespread in Lebanon, with approximately one third of the population living below the poverty line. Beirut has a large share of the poor; South Beirut is often referred to as the "misery" belt, indicating the great poverty of the area. (Ibid.: 5). Most of the poor are Shi'a Muslims, who are often marginalized. (Ibid.: 3). This is the reason why the devastated state of the economy and the social factors will be discussed in regards to the decisions made by the individual governments. The influences of foreign powers, specifically Syria, and the armed confrontations with Israel have further contributed to the country's political instability, and the increase of the regional power of Hezbollah, a militant group and later a political party. (Kisirwani, 1997: 88). These factors have further influenced the decisions of the governments and will be given attention.

The given thesis is divided into six parts. In order to set the theoretical framework for the given work, it is important to understand the general approaches to the notions of governance as a whole, and good governance in particular. Chapter One discusses these concepts, providing definitions.

The following four Chapters present the significant time periods in Lebanon's political history. Chapter Two deals with the end of the war period (1989 – 1992) beginning with the Ta'if Accords and amendments to the Constitution, the assassination of President Rene Moawad, and discusses three consecutive Cabinets. Chapter Three provides an insight to the period of postwar reconstruction (1992 – 2005) and is dominated by the four Cabinets of Rafiq al-Hariri, only shortly interrupted by the administration of Salim el-Hoss in the years 1998 – 2000. A crucial point in Lebanese history – the assassination of Prime Minster Rafiq al-Hariri in February 2005, and the Independence Intifada, which followed, marked the Administration of Omar Karami in 2004 – 2005. These events are discussed in Chapter Four, which further presents the events in the light of Najib Mikati's caretaker Cabinet. Chapter Five, concerning the post Independence Intifada Period (2006 – 2011) begins with Fouad Siniora's

Premiership, which was marked by the July 2006 War with Israel, political protests and Cabinet impasses and the Doha Agreement. The Chapter closes with Saad al-Hariri's Cabinet and the recent political deadlock of early 2011.

The final, sixth Chapter, draws on the theoretical framework along with the events and policies described in the previous parts of the work, with an attempt to establish the specific factors of success and failure of the governments described. Basing assumptions on the works in the field of good governance, the final chapter sets as its goal to assemble a set of country specific factors that are crucial to the success of the Cabinets in Lebanon, or have respectively been the main factors of their failure.

Methodology

To produce such assumptions, the thesis takes on an analytical approach to chronologically describing and discussing policies and initiatives as well as challenges of the governments in question, in order to construct a set of factors crucial and specific to the success of the post-conflict governments in Lebanon. Empirical data and information about Lebanon's political system, structure of the respective cabinets, as well as power-sharing, or rather power-holding tendencies, as well as issues portrayed by the media, are used to illustrate the political realities of each time period. Such empirical data is obtained from international and Lebanese media, scholarly journals, as well as extensive analytical accounts of events in Lebanon provided by various authors, the information from which had been pieced together to provide a well-rounded approach to each Government.

Basing its assumptions on the currently rapidly developing field studying governance, the thesis explores and applies the various approaches to measuring good governance provided by the OECD reports, as well as the eight characteristics indicated by the United Nations, and the macroeconomic aspects of good governance provided by organizations such as the International Monetary Fund, to utilize the presented empirical data with the intention of creating an original set of factors crucial for the success of Lebanese governments. The different approaches, aspects and definitions are presented prior to the study of the respective governments and the historic context in order to set the theoretic framework for the analysis. The framework of good

governance in mind, the regional specifics of the political climate of Lebanon and each consecutive government, as well as the key events that influenced them can thus be taken into consideration in order to produce a set of crucial factors that influenced good governance in Lebanon.

Overview of Literature

More often than not observers choose to all too quickly simplify and reduce the complex situation in Lebanon to Christian-Muslim or sectarian labels. Unfortunately, the situation in the country cannot be neatly categorized into cultural boxes, however appealing cultural typecasting might be. Regional, class or even ideological differences, along with political jealousies and opportunism must be taken into account when considering Lebanon and its politics. In general, politics in Lebanon can often be seen as a grand patchwork of competing sectarian and personal interests, joined only by conflicting threads of national identity. Furthermore since its creation as a state, Lebanon's history has been marred by the large number of conflicts, continuously impairing the delicate fabric of its frail statehood. From the 1970's on, the country unintentionally transformed itself into an ideal case study of various aspects of conflicts as well as its practical "testing ground". The Lebanese have not only encountered the arrivals and departures of various world armies and UN peacekeeping troops, but lived in a state of total chaos, a state of full out violence and war of all against all. Consequently, the Lebanese government lost virtually all its immediate power to the armed factions which were able to control various districts of not only Beirut but also the country itself. This further led to the emergence of lead political figures from the civil war years in the sectarian landscape of Lebanon. The events leading up to the civil war and the various internal and external dimensions of violence of that time period are crucial to the understanding of Lebanese politics today. Detailed, sophisticated and elegantly written accounts of the events can be acquired through the many works of academics and journalists. Kamal Salibi's A House of Many Mansions, provides a rich introduction to Lebanon, while Elizabeth Picard's Lebanon: A Shattered Country discusses Lebanon's collapse into civil war in 1975. Robert Fisk provides a meticulous

journalistic account of the Lebanese Civil War in *Pity the Nation*, as does Thomas Friedman in *From Beirut to Jerusalem*.

Lebanon has also been a country deeply affected by external powers, thus making it practically impossible to understand the internal political situation without considering these influences. Ze'ev Schiff and Ehud Ya'ari have written an indispensible account of the 1982 invasion of Lebanon by Israel - Israel's Lebanon War - and its aftermath, which includes the rise of Hezbollah. Daniel Sobelman's study New Rules of the Game: Israel and Hizbollah after the Withdrawal from Lebanon provides a detailed account and analysis of Israel's confrontation with Hezbollah in southern Lebanon. It focuses on the Israeli withdrawal from Lebanon, its implications and consequences, as well as issues around the Shebaa Farms area and the Blue Line, drawing from both Hebrew and Arabic sources. 34 Days: Israel, Hezbollah, and the War in Lebanon by Amos Harel and Avi Issacharoff provides a meticulous account of the latest July 2006 War between Israel and Lebanon, covering a broad range of aspect of the war, from the United Nations negotiations, the events leading to the War, military actions and the outcomes of the conflict. Inside Lebanon: Journey to a Shattered Land with Naom and Carol Chomsky edited by Assaf Kfoury, provides a series of lectures, essays and accounts of the aftermath of the July War and its global and regional implications for Lebanon.

The given thesis draws from a large number of works concerning the post war period as no single source provides a complete overview of the governments. A large number of authors have written on the influences of the Ta'if Accord, its implications for Lebanon and failures of implementation. For example, Hassan Krayem provides a detailed analysis of the Agreement in his article *The Lebanese Civil War and the Taif Agreement*. The works of Paul Salem, the Director of the Carnegie Middle East Center, also offer valuable insight into the political situation in Lebanon, while *The Wounded Republic: Lebanon's Struggle for Recovery*, covers the time period from the Ta'if Accord to 1994, describing the consecutive governments, their policies and challenges. *The Middle East and North Africa 2004* and *The Europa World Year Book 2004*, edited by Lucy Dean and Joanne Maher, respectively, have proven to be valuable resources, which cover multiple aspects of the political events in Lebanon in the years after the passing of the Ta'if Accord until early 2004. Tamirace Fakhoury Mühlbacher provides

a further analysis of the cabinets during the Presidency of Emile Lahoud, focusing on democratization and power-sharing in Lebanon in her work. Augustus R. Norton provides a thorough account of Hezbollah's rise to power, while explaining the political situation in Lebanon and key events. Michael Young provides an eyewitness, yet largely analytical account of the events leading up to the Independence Intifada of 2005, explaining its intricate implications and aftermath.

John Wetter provides an excellent account of the economic aspects of reconstruction, and specifically the Horizon 2000 plan undertaken by the Rafiq al-Hariri Cabinet, however further economic data was gathered from official reports of organizations such as the World Bank Group, Global Investment House KSCC, and the Lebanese Center for Policy Studies. The given thesis further draws largely from various journalistic accounts published both in Western media, such as the BBC, The Guardian, Time, The New York Times, as well as Lebanese media, such as the English language daily The Daily Star, and Ya Libnan, Naharnet, as well as the international Arab news provider Al Jazeera.

The first Chapter, which focuses on the concept of governance, also draws from a number of sources. As a unifying theoretical framework for success of governments, and post-conflict governments in particular, is largely lacking in available literature, recent developments in various fields could, nevertheless, be used to reach conclusions. Bo Rothstein and Jan Teorell put forward the best beginning of a theoretical framework for measuring government performance in their paper "What is Quality Government?". In terms of measuring the effectiveness of post-conflict governments in particular, the recent literature mainly refers to the issues of assessing peacekeeping missions. Both Roland Paris' At War's End: Building Peace after Civil Conflict and Seth D. Kaplan's Fixing Fragile States: A New Paradigm for Development maintain that building, or rebuilding, sturdy and culturally appropriate institutions is the key to successful peace building. The Organization for Economic Co-operation and Development (OECD) has published a number of documents in relation to government performance in general, while the United Nations has defined the term good governance, indicating its crucial characteristics. The International Monetary Fund has focused on the aspects of good governance that are closely related to macroeconomic policies.

1. Approaches to Government Assessment

Although the concept of "governance" is not new, its definition can be rather ambiguous and has escaped the luxury of a universally accepted definition. Although the issue has recently attracted much attention, as new assumptions and hypotheses, development of concepts about and perspectives on governance emerge, the field is still rather new and thus lacks a unified theoretical framework. Multiple schools of thought emphasize different approaches. According to the OECD, five main approaches to governance exist. The first, associated with the writings of Max Weber refers to variants of traditional public administration. It was the dominant perspective in part of the nineteenth and most of the twentieth centuries, only to be challenged by New Public Management in the 1980s. The traditional administration became increasingly seen as inefficient and unresponsive to the demands of citizen. Network governance emerged in the new millennium. It focuses on the complex web of actors, both domestic and international, as power is no longer concentrated solely in the hands of the central government. Power and political economy perspectives have become particularly relevant in societies with strong informal governance, while the historical perspectives challenge studies that link growth and governance by pointing to the not so good record of OECD countries during their transformation from rural to diversified industrial economies. (Boesen, Jensen, Vleugels, Vanheukelom, 2008: 15).

The most basic definition of governance is "the process of decision-making and the process by which decisions are implemented (or not implemented)" (*UNESCAP*). Good governance includes eight main characteristics - participation of both men and women in governance, the rule of law, transparency of the decision-making process, equity and inclusiveness, effectiveness and efficiency, responsiveness of institutions and processes, it must be consensus oriented as well as accountable to the public and to their institutional stakeholders. (Ibid.) Different countries and organizations, however, provide varying, oftentimes more complex definitions. United Kingdom's Department for International Development indicates that

Governance is about the use of power and authority and how a country manages its affairs. This can be interpreted at many different levels, from the State down to the local community or household. Governance analysis considers all the mechanisms, processes, relationships and institutions through which citizens and groups articulate their interests and exercise their rights and obligations. It concerns the way that people mediate their differences, make decisions and enact policies that affect public life and economic and social development. (Boesen, Jensen, Vleugels, Vanheukelom, 2008: 26).

The Swedish International Development Cooperation Agency states that

On the whole, good governance implies an efficient and predictable public sector incorporating participation and the rule of law, i.e., with the characteristics of democratic governance. In the concept of democratic governance, a stronger emphasis is placed on central democratic institutions like a democratic constitution, a parliament, general elections, participation and an active civil society, as well as human rights. (Ibid.).

According to the European Commission,

Governance concerns the State's ability to serve the citizens. It refers to the rules, processes and behavior by which interests are articulated, resources are managed, and power is exercised in society. The way public functions are carried out, public resources are managed and public regulatory powers are exercised is the major issue to be addressed in that context. Governance is a basic measure of the stability and performance of a society. As the concepts of human rights, democratization and democracy, the rule of law, civil society, decentralized power-sharing and sound public administration gain importance and relevance, a society develops into a more sophisticated political system and governance evolves into good governance (lbid.: 27).

The most widely accepted definition, however, comes from economic institutions. The World Bank, which provides the most widely used empirical governance indicators, defines governance as "the traditions and institutions by which authority in a country is exercised", specifically including:

(1) the process by which governments are selected, monitored and replaced, (2) the capacity of the government to effectively formulate and implement sound policies, and (3) the respect of citizens and the state for the institutions that govern economic and social interactions among them. (Rothstein, Teorell, 2008: 168).

The definition used by the International Monetary Fund is one referring to macroeconomics. It specifies that

Within government, governance is the process by which public institutions conduct public affairs and manage public resources. Good governance refers to the management of government in a manner that is essentially free of abuse and corruption, and with due regard for the rule of law. (Boesen, Jensen, Vleugels, Vanheukelom, 2008: 27).

Most definitions of governance and the agendas for good governance are rather overwhelming, however, some economist have attempted to simplify the definition to good governance being the equivalent of policies good for economic development. According to Bo Rothstein and Jan Teorell, these definitions come at the "expense of being unable to define a country's level of QoG [Quality of Government] without first having to measure the effects of QoG. This makes it impossible at the conceptual level to generalize what QoG is because the type of institutional arrangements that cause growth in one country may be very different from that of other counties." (Rothstein, Teorell, 2008: 168). The authors suggest another criterion that helps define governance more precisely – impartiality in the exercise of government power. They define the term as follows:

When implementing laws and policies, government officials shall not take anything about the citizen/case into consideration that is not beforehand stipulated in the policy or the law (Ibid.: 170).

Impartiality mainly applies to the actions taken by judges, civil servant, politicians, etc. It implies that decisions on recruitment to civil service should be based on merit and qualification, not personal contacts, ethnic, religious or sectarian belonging and political affiliation; bribes, political or family connections, religion, sex, age, social status, to name a few, should be largely irrelevant to the decisions made. (Ibid.).

The highly ideological claim favored by conservatives and many economists, which holds that small governments are, in essence, the synonyms of good governments and absence of corruption. This theory is not taken notice of as data presented by Rothstein and Teorell clearly indicate that such assumptions are empirically false. Countries with the lowest levels of corruption, such as the United Kingdom, the Netherlands, or Scandinavian countries, all have relatively large governments. (Ibid.: 172).

Keeping these various approaches and definitions in mind, the thesis now turns to the analysis of consecutive Lebanese governments.

2. End of War Period (1989 – 1992)

2.1. National Reconciliation Charter of Lebanon – The Ta'if Accord (1989)

The Ta'if Accord, officially known as the National Reconciliation Charter of Lebanon, followed numerous failed attempts at solutions and peace agreements throughout the Lebanese civil war. In 1989, when Saudi Arabia stepped in, taking over the peace negotiations, a Tripartite Arab High Commission was formed comprising of Saudi Arabia, Morocco and Algeria. It excluded Syria⁴ and only invited Lebanese deputies to the final stage of the negotiations. The deputies were presented with a draft of the agreement in September 1989 in Ta'if, Saudi Arabia, (Collings, 1994: 33) where the treaty was to be either passed or rejected as a whole (Ibid.: 38). The Agreement was eventually passed, further accepted in Lebanon was an amendment to the 1926 Lebanese Constitution. (Ibid.: 31).

The Ta'if Accord was the document that "provided a basis for the ending of the civil war and the return to political normalcy in Lebanon" (Krayem, 2003) acting as a compromise between the Lebanese deputies, political groups and parties, militias and leaders, further addressing issues of the political system's structure and the country's sovereignty. It was seen as the best solution to preserve Lebanon as an entity, while introducing a new political structure and a formula to stop war, giving the Lebanese a chance to rebuild their institutions, revive their economy and gain capacity to face regional and global issues with at least a minimal degree of stability. Although it presented an effective mechanism for ending war, the agreement can be better viewed as a process rather than a final arrangement. It intended to initiate a process of rebuilding a stable political system. (Ibid.).

The Ta'if Accord was created in accordance with Lebanon's political tradition and the unwritten National Pact of 1943, taking the concept of power sharing as a mechanism against war. The agreement reaffirmed Lebanon's Arab identity and unity, emphasized its independence, sovereignty and freedom, labeling it as the final homeland for all Lebanese (National Reconciliation Charter: 1.a.). It further defined the

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⁴ Although Syria was not invited to the negotiations, the terms of the peace agreement were brokered on Syria's terms, since a prior 1985 Syrian sponsored agreement was used as a blueprint for the Ta'if Agreement (Collings, 1994: 3).

country as a parliamentary democracy (Ibid. 1.c.), based on the principles of separation, balance and cooperation among various branches of government (Ibid.: 1.e.), with a free economy favoring individual initiative and the right to private ownership (Ibid.: 1.f.). The Accord also stressed the necessity for a balanced, cultural and social regional development as a principal of stability of the system and state unity (Ibid.: 1.g.).

The agreement stated that the basic national goal is the abolition of political sectarianism and confessionalism (Ibid.: 2.g.), however no specific deadline or timeframe was provided for its actualization. In principle, the changes aimed at creating a more equitable formula of power distribution, one that allocates power fairly among all confessional communities. (Krayem, 2003). The Accord changed the power structure in three main ways through the transfer of power from the President to the Prime Minister and the Speaker of Parliament. Maroun Kisirwani explains:

- a. Executive authority was shifted from the Maronite President of the Republic to the Council of Ministers, thus rendering the government one of collegiate decision-making, and stripping the president of most of his executive powers by reducing him 'to a largely ceremonial figure who reigns but does not rule'.
- b. The Sunni post of Prime Minister became the central position in the affairs of government, since the holder of this post 'controls the agenda of the Council of Ministers and oversees the daily operations of the state bureaucracy'. In addition... his dismissal is no longer under the control of the Maronite President, as was the case before. The Prime Minister can now be removed only by a decision of the parliament.
- c. The Shi'a post of speaker of Parliament was also strengthened 'by extending its term to four years and centrally involving the speaker in designating a Prime Minister'. (Kisirwani, 1997: 90-91).

According to the legislation provided by the Ta'if Accord, the Lebanese government is divided into the executive branch, comprising of the President as the Chief of State, and the Prime Minister as the Head of Government, and the legislative branch, containing the Parliament. The Parliament, which is directly elected, appoints the President, who subsequently appoints the Prime Minister. The Prime Minister then forms the cabinet in consultation with the President and members of the Parliament. The cabinet and the Prime Minister must retain the confidence of a majority in the Parliament at all time. (CIA World Factbook). Consequently, the President, Prime Minister and

Parliament function as a power troika, unable to make decisions without prior consultations with each other, each having veto power over the others. Furthermore, the Ta'if abolished the installed pre-civil war Christian majority in Parliament, shifting the distribution of power to being equally divided between Muslims and Christians, in so doing weakening the Christian influence. (Krayem, 2003)

While the Ta'if Accord implicitly ratified the National Pact, introducing thirtyone important constitutional amendments, which were approved by the Lebanese
Parliament in August 1990 and signed by President Elias al-Hraoui a month later, the
reforms did not fundamentally change the political structure. Initially the political
confessionalism implemented in 1943 was intended to serve as a temporary
arrangement; however, it was able to deeply root itself in the system and continues to
predominate even today. Moreover, it is reproduced and further institutionalized.
(Ibid.). To this day, the President of Lebanon is Maronite, the Prime Minister a Sunni
Muslim, while the Speaker of Parliament is Shi'a, while voting continues largely
according to religious affiliation, as politicians focus on local rather than national
issues, making it difficult to gain state authority. (Ibid.).

Another issue left unresolved by the Ta'if Accord was one pertaining to the reestablishment of Lebanon's complete sovereignty. Although reinstating full control and authority over the entire territory of Lebanon through the means of its own forces was stipulated in the Accord, the agreement also left leverage for Syria in the country as a fraternal power, enabling it to leave its forces in Lebanon for the purpose of aid in reestablishing such control and authority. The date of their full withdrawal was to be agreed at a later time, once the goal of reinstating authority in Lebanon was achieved. (National Reconciliation Charter: 2.,4.). The Accord also entailed the pursuit of implementation of all United Nations Security Council's resolutions concerning the ending of Israeli occupation of South Lebanon, Resolution 425⁵ in particular (Ibid.: 3.). This matter is related to the resolution of the regional conflict through peace negotiations with Israel on one side and Lebanon and Syria on the other, leading to Lebanon's consequent joining of the Madrid Peace Conference in 1991 and later

⁵ On March 19, 1978, five days after the Israeli invasion of Lebanon, in what was referred to as Operation Litani, intended at clearing out the Palestine Liberation Organization bases located inside Lebanon to secure Northern Israel, Resolution 425 was adopted by the UN Security Council. It called on Israel to immediately withdraw its forces from Lebanon and authorized the establishment of the United Nations Interim Force in Lebanon. (UNIFIL).

bilateral negotiations with Israel. Although Lebanon did not participate or lose territory in the Six Day War of 1967 and the Yom Kippur War of 1973 and had no direct concern with UN Security Council Resolutions 242 and 338, which refer to the Israeli-Palestinian conflict, its concern with Resolution 425 led to the joining of the process of negotiations in Madrid. Israel reciprocated with rejecting any discussion of Resolution 425. The refusal to remove Israeli troops from Lebanon thus implied the postponing of redeployment of Syrian troops, stipulated in the Ta'if Accord. In other words, "at least part of the implementation of the Ta'if Agreement is linked to Israeli actions in the south and a comprehensive settlement in the region". (Krayem, 2003).

2.2. Two Rival Governments - Michel Aoun and Salim el-Hoss

The years leading to the end of the Civil War and following the Ta'if Accord were marked by the rivalry of two Prime Ministers – Michel Aoun and Salim el-Hoss. El-Hoss, the acting Prime Minister since the year 1987, boycotted the meetings of his own Cabinet from January to September of 1988 in protest of the policies of the outgoing President Amine Gemayel. When Gemayel dismissed him from office, replacing him with Michel Aoun, the Commander-in-Chief of the Lebanese Army and a Maronite Christian, as the acting head of the Lebanese government, el-Hoss refused to concede. The situation was further impaired when the Parliament failed to elect a new President at the end of Gemayel's term. This left Lebanon with no President and two rival governments, one in East Beirut, headed by Aoun, determined to rid Lebanon of Syrian troops and influence, and the other government in West Beirut, headed by Salim el-Hoss, a pro Syrian Sunni Muslim. (Immigration and Refugee Board of Canada, 1990).

Michel Aoun, the lawfully appointed Prime Minister, declared a "war of liberation" intended to drive out Syrian troops from Lebanese territory in March 1989. He had refused to ratify the Ta'if Accord on the grounds that it did not specify Syrian withdrawal. When René Moawad finally filled the Presidential vacancy that had been empty for over thirteen months on November 5, 1989, Aoun refused to recognize it. (Ibid.). Moawad, a moderate Maronite who enjoyed Syria's backing, was assassinated seventeen days later by a remote controlled bomb, while returning from the celebration

of the forty sixth anniversary of Lebanon's independence. Moawad's election was viewed by many as a crucial step in the Lebanese peace process. The United Nations Security Council, the United States and the European Community all endorsed Moawad's efforts to form a government of national unity under the revised framework of the Ta'if Accord. (McAllister, Marlowe, 1989)

Following the assassination, Salim el-Hoss began closely working with Hussein Husseini, the Speaker of the Parliament, to reconvene the legislature and select a President. After a hastily called session, the Parliament elected Elias Hraoui, also a Maronite, to succeed Moawad in the Presidential post. Hraoui promptly appointed a cabinet of national reconciliation, consisting of the country's main sects and headed by Prime Minister Salim el-Hoss. (Ibid.). Michel Aoun, however, refused to recognize the Presidency of Hraoui as well as the reappointed el-Hoss, finding himself alone against everyone in the spring of 1990. Aoun previously relied on sixty percent of the Lebanese army, the Lebanese Forces militia headed by Samir Geagea, as well as the National Liberal Party, headed by Dany Chamoun. Externally he received support from Iraq's President Saddam Hussein. Samir Geagea allied himself with the President after a violent break with Aoun, while concurrently the Ta'if Accord had been passed into law. A month later, in September of 1990, Elias Hraoui proclaimed the Second Lebanese Republic, while Dany Chamoun was assassinated in October. Consequently, Aoun was forced to surrender when Hraoui's Lebanese military forces, supported by Syrian troops stormed the Presidential Palace where Aoun was holding out, and the Ministry of Defense, which he controlled on October 13, 1990. (Maher, 2004: 2597).

These events ended the rival governments, leaving Salim el-Hoss as the only Prime Minister. A few days after Aoun's surrender, the "green line" dividing East and West Beirut was dismantled, and on November 13 most militias had completed their withdrawal from Beirut, a few days before the deadline of November 19 set in the Ta'if Accord. The interim government of Salim el-Hoss ended on December 24, 1990, when el-Hoss resigned in favor of the newly appointed Omar Karami, the Minister of Education and Arts in the outgoing Cabinet. (Ibid).

2.3. Omar Karami's Administration (24 December 1990 - 13 May 1992)

Prime Minister Omar Karami established his thirty-member Cabinet under Syrian auspices on December 24, 1990. Karami's family had lasting ties with Damascus, and his hometown, Tripoli, was within the Syrian sphere of influence, making the choice of Karami as Prime Minister a sensible one from the Syrian perspective. The Cabinet included leaders of the wartime militia and political parties, traditional leaders, "friends of Syria" and friends of the President. (Salem, 1994). The posts were divided equally between Christians and Muslims, consisting of six Sunni Muslims, six Maronite Christians, six Shi'a Muslims, three Druzes, four Greek Orthodox Christians, three Greek Catholics, one Armenian Catholic and one Armenian Orthodox Christian. However, such a composition attracted much criticism. Complains about underrepresentation came from the deputies of the National Assembly, while the appointment of military leaders and sons of prominent politicians was largely questioned by the Lebanese press; the Phalangist Party and the Lebanese Forces saw the government as lacking in national balance; the Druze representative complained about the dilution of their influence; neither Hezbollah nor the supporters of Michel Aoun were represented. (Dean, 2003: 724).

Meanwhile, the government had set four main items on its agenda, mandated by the Ta'if Agreement: "(a) to appoint new deputies to parliament in order to render Christian-Muslim representation equal; (b) to formalize the "special relations" with Syria; (c) to dissolve the militias; and (d) to begin extending government authority throughout the country." (Salem, 1994). Notwithstanding the boycotts of several key ministers, such as Samir Geagea, Phalangist Party president George Saadeh, and Druze leader Walid Jumblat, the cabinet was able to complete to a large degree all the items on its agenda (Ibid.).

In March 1991, the main Lebanese militias, with the exceptions of Hezbollah and Palestinian groups, were declared officially dissolved. Over the months that followed most of their heavy equipment was collected, while a large number of the members were inducted into the Lebanese army and internal security forces. The militias were no longer allowed territorial zones of control, whilst their seaports and tax systems were closed down. The government was able to consolidate control over

Greater Beirut and to send army brigades to claim other territories in the South, Mount Lebanon, and the North in the spring and summer of 1991. After naming forty individuals to fill the new Muslim seats in the Parliament mandated by the Ta'if Accord, along with thirty-one others that were to fill seats vacant since the election of 1972, the cabinet went on to formalize relations with Syria. (Ibid.).

On May 24, 1991 the Treaty of Brotherhood, Cooperation and Coordination was signed. (Ibid.). The treaty called for the highest degrees of coordination and cooperation "in all fields, including political, economic, security, educational, scientific, and other fields for the benefit of both fraternal countries within the framework of their individual sovereignty and independence" (Treaty of Brotherhood, Cooperation and Coordination, 1991). The Treaty further mandated the establishment of the Higher Council, composed of the presidents, prime ministers, deputy prime ministers and speakers of parliament of the two countries, to set policies of coordination and cooperation. The decisions made by the Council were to be binding and effective on both Lebanon and Syria. The Treaty further required the setting up of joint ministerial committees and the signing of further bilateral agreements concerning economic, defense, educational, and other affairs. (Ibid.). Were the Treaty to be fully implemented, the High Council would introduce the framework of a loose confederation over the two countries. Syria, being the more powerful partner in the agreement, would dominate the relations. This would further bureaucratize, stabilize, and legitimize the extensive influence of Syria over Lebanon. (Salem, 1994). On September 1, 1991, Lebanon and Syria additionally signed the detailed Defense and Security Pact. It committed Lebanon to "the highest level of military coordination" and to "banning any activity or organization in all military, security, political and information fields that might endanger or cause threats to the other country" (Harris, 2006: 280).

The significance of the two documents was not only in the increase of cooperation and coordination between the two states, but also in that they were able to provide a legal basis for such a close relationship after Syria withdrew militarily from Lebanese territories. Indeed, after the provisions of the Ta'if Accord which set the deadline for Syria to redeploy its forces in Lebanon out of Beirut to the vicinity of the main pass in the coastal mountains above the Lebanese capital in late 1992 was ignored under the pretext that the Lebanese army were not yet ready to take over the security

duties, the two agreements "would appear to supersede the Ta'if Agreement as the main determinants of Lebanon's general policy direction". (Salem, 1994). Other Ta'if articles were also not implemented, such as the repatriation of the displaced, administrative decentralization and the preparing for political deconfessionalization. (Ibid.).

Although the Syrian Foreign Minister, Faruq al-Shar'a, claimed that the "majority of people in Lebanon and Syria are with unification, but [Damascus] is content for the present coordination" (Harris, 2006: 280), the treaties lacked Lebanese consensus and evoked hostile reactions from Israel. Furthermore, they revived Christian fear of Syrian hegemony. The Maronite Patriarch, Nasrallah Butros Sfeir, for example, publicly objected to the treaties, while referring to the breaching of the National Pact, in which Muslims pledged not to commit to Syria, while the Christians guaranteed not to form a special relationship with the West in general, and France in particular. (Hijazi, 1991).

Karami's Cabinet also presided over two foreign policy developments – support for the Gulf War alliance in the winter of 1990 and spring of 1991, and the participation in the Arab-Israeli peace talks in Madrid, previously discussed. The Gulf War had serious economic consequences for Lebanon, as it had lost one of its main export markets. Many Lebanese working in Iraq had to return home. Furthermore, the "Gulf War and its aftermath would also consume Gulf oil money for years to come - money which could have come to postwar Lebanon in the form of financial aid." (Salem, 1994).

While the Karami Government had been active on the political level through extending government authority, implementing sections of the Ta'if Accord and relations with Syria, it had done very little to revitalize the country's destroyed infrastructure, improve government services, improve public administration, stimulate the private sector or secure foreign aid, generally failing in the socio-economic sphere. (Ibid.). Its only attempt at reconstruction had been the reviving of the Council for Development and Reconstruction, which the government entrusted with the task of preparing a national reconstruction strategy (Wetter, 1999: 6).

Omar Karami's Government never had much popular support, however in the beginning of 1992 it began facing serious problems, when the Banque du Liban, the Lebanese Central Bank, suspended its intervention in the financial markets in support of

the national currency, the Lebanese Pound. The currency experienced a virtual collapse when the exchange rate dropped nearly fifty percent, from the rate of [pounds]L880/USD1, which it had maintained for almost a year, to [pounds]L1,700/USD1. (Ibid.). The plummeting wages triggered nationwide labor strikes led by the General Confederation of Trade Unions. The rising public fury culminated on May 6, 1992, when the rioters marched on the Prime Minister's residence in Beirut and sacked the house of the Finance Minister in Sidon. Unable to redouble efforts of handling the economic crisis or the protests, Omar Karami promptly resigned on May 13, 1992 after consultations with Damascus. (Harris, 2006: 280).

2.4. Rashid al-Sulh's Administration (13 May 1992 - 31 October 1992)

With the approval of Damascus, Rashid al-Sulh was appointed Prime Minister on May 13, 1992. However, his twenty-four member Cabinet was greeted with little enthusiasm as it contained fifteen ministers from the outgoing Cabinet. There were nine new ministers, only two of whom were non-traditional technocrats. Samir Geagea resigned. George Saadeh and Walid Jumblat asserted to boycott the new government. Jumblat even went further to refer to the new Cabinet as an "unfunny comedy" (Salem, 1994), while others saw it as a temporary government, in place only to hold elections (Ibid.).

Notwithstanding, the government outlined an ambitious agenda. It included "putting a cap on public spending, stabilizing the national currency, increasing tax and tariff revenues, administrative reform, the repatriation of displaced persons, a new naturalization law, strengthening the official media, supporting the liberation of the South, and the holding of parliamentary elections" (Ibid.). It was, however, only the last item on this extensive list that received any serious attention, although Rashid al-Sulh did try to stop the deteriorating economic conditions in the country by adopting a stricter monetary policy and creating new measures to increase government revenues. These measurers failed to fight inflation or to put an end to the dropping exchange rate, which reached a new low of [pounds]L2,850/USD1 by mid-September 1992. (Baroudi, 1998).

In the summer of 1992 Lebanon was already facing a serious economic crisis. Prospects for rapid economic recovery were reduced by the Government's insistence on holding parliamentary elections in September 1992. (Ibid.). Previous parliamentary elections were held three years before the beginning of the civil war, in 1972. There had been a consensus until 1992 amongst nearly all Lebanese factions that there existed a need to elect a new Parliament to replace the twenty-year old one, which many no longer viewed as legitimate. The election was further stipulated in the Ta'if Accord. (Harik, Khashan, 1993).

Initially, the new elections had been a demand of mainly the Christian opposition as a way of embarrassing the Government in showing how little support they received. Syria had opposed the idea, excluding elections from the political agenda and dialog in 1991. The common practice consisted of the government simply appointing deputies to the Parliament, rather than the citizens electing them. (Salem, 1994).

However, in 1992, Syria's perception of the election shifted in their favor due to several factors. Regional developments throughout 1991 and early 1992, the eruption of the Gulf War and American comparably successful attempts at initiating Arab-Israeli peace talks, proved in line with elements of President George H.W. Bush's New World Order, which was inching dangerously towards Syrian borders. This meant Syria needed to shift its policies accordingly. With regards to Lebanon, this meant "undergirding Syrian influence in ways more acceptable within the ethos of this New World Order, i.e. through the legitimizing offices of an elected parliament". (Ibid.). It was within Syrian interests for the Lebanese Parliament to be in line with its interest, sympathetic and legitimate enough to disregard the nearing deadline for the withdrawal of Syrian forces in the fall of 1992, stipulated by the Ta'if. Furthermore, holding a parliamentary election in 1992 meant that the Parliament would serve until 1996, which implied that it would control the next election of the President in 1995, who in turn, would serve until 2001. A Parliament elected a year earlier would not hold such powers, as their mandate would expire in 1995, the same as that of the President. This logic in mind, Damascus wanted a sympathetic Parliament, elected in 1992, in place to choose the next President, in such a way ensuring longer-term cooperative relations. (Ibid.).

When Rashid al-Sulh Government's efforts at holding the elections appeared serious, considerable opposition was voiced mainly by the Lebanese Maronite

community, which feared that the elections would lead to enacting laws that would end its privileged position. (Harik, Khashan, 1993). Michel Aoun, who was formally exiled from the country by the Government in August 1991 for five years, set the popular tone of the opposition by sending video and audio cassettes from France. In his addresses he urged his supporters to boycott the elections on the grounds that fair elections cannot be held in the presence of foreign forces. Other exiled Maronite leaders independently reiterated Aoun's position. These included the former President Amine Gemayel, leader of the National Bloc Raymond Edde, and the leader of the National Liberal Party Dory Chamoun. Samir Geagea opposed the elections as he had more to gain in the opposition and in mirroring the popular mood than in supporting the Government, as he had done previously and as a result had repeatedly been marginalized and humiliated. Geagea also had much to lose as he was vulnerable to an embarrassing loss in an open election, since his popularity largely suffered during the period of Aoun's power. Nasrallah Butros Sfeir, who had initially endorsed the Ta'if Accord, stood against Aoun, and assiduously strived to avoid a break with the Government, chose to take an opposing stand to the election. The Patriarch and other leaders felt at that point that the Ta'if Accords had not redressed an imbalance in Lebanese politics, but simply introduced a new one in favor of the Muslims and Syria, leaving the Maronite community militarily, politically and historically defeated. "The move of such a high level religious figure into the opposition was decisive for the strengthening and legitimization of that opposition but also gave a dangerous confessional character to the election issue". (Salem, 1994).

In order to fully understand such political behavior, one must view it through the prism of the civic cultures of non-Western countries, whose political systems are patterned on Western liberal ideologies and political structures, yet whose political elites and masses have not captured the full rational and social background of Western democratic practices. Judith P. Harik and Hilal Khashan explain:

These norms spread in the West before states were transformed from narrow political systems to those of broad popular base. In non-western regions, a civic culture on which political process could be firmly anchored was not first developed. This is the case in Lebanon where a number of factors tend to create disillusionment, cynicism and reduce interest in elections. Contrary to all principles of democracy, members of Lebanon's traditional families moved into the key positions of the new state in 1943 and they, or close relatives or colleagues, remained

firmly entrenched in the executive and legislative branches of government until recently. Furthermore, although parliamentary elections had not taken place during the civil war period, presidential elections were continuous and highly contentious, especially those held in 1976 and 1982. The unprecedented cancellation of the presidential elections in 1988 was based on the following reasoning: If the elections could not be made to lead to expected results then they would not be acceptable. Thus, due to the political climate, they could not be allowed. It would be more beneficial to delay them. This attitude was again reflected by the opponents of the elections in 1992, and had nothing to do with democracy or the fair play of electoral process. (Harik, Khashan, 1993).

As the Christian opposition continued to rise, leaders of the Muslim community began expressing concerns that holding elections over the objections of one of Lebanon's largest and important communities was inadvisable and might lead to an unraveling of the national consensus and process of reconciliation achieved through the Ta'if Accord. Salim el-Hoss, Sunni leader Tammam Salam, Deputy Head of the Higher Shi'a Council Muhammad Mahdi Shamsiddin, Druze Shaykh al-Aql Bahjat Ghayth, amongst others expressed such opinions. However, after several consultations in Damascus with regard to postponing or rescheduling the elections, Prime Minister Rashid al-Sulh continued with the hasty preparations for the elections. (Salem, 1994).

The elections were far from perfect. Up to a few days before the actual election, it was still uncertain if they would even take place at all, leaving both the voters and the candidates in the dark practically until the last minute. Moreover, the media were banned from the electoral campaigns, leaving the voters to make their decisions based on campaign posters on walls and vague pamphlets. Additionally, due to the shortening of the legal time periods for reviewing and publishing of the voter lists, the lists prepared by the Ministry of Interior were largely inaccurate, including thousands of people long since deceased, while excluding thousands of people who had been born and reached the legal voting age of twenty-one by 1992. The overall voting population was declared to be at around 2.3 million. This was concluded to be a large overestimation, when the total population of Lebanon approximated to 3.5 million, with over half the population being under twenty years old. A more likely estimate of the voting public could be no more than 1.5-1.75 million. Voter participation based was

roughly estimated at twenty-nine percent of those on the voter rolls. Accurate figures are unavailable due to the Government's refusal to release election data. (Ibid.).

However, the gravest step taken in the pre-election period was the devising of the electoral law by the Government and its consequent approval in the Parliament on July 16, basically mocking the Ta'if Accord and basic principles of consistency. The new electoral law raised the number of deputies to an arbitrary 128, from 108 set in the Ta'if Accord. In addition, the principle of holding elections according to the Governorate was violated. It was only respected in Beirut, the North and the South, while, for example, in the Governorate of the Biqa and in Mount Lebanon there was a reversion to elections based on the smaller District. This resulted in a patchwork law, consisting of disproportional, tiny and massive districts. "In the South, for example, each voter could choose 23 candidates and a representative there would be elected with a vote of over 100,000. In other districts, the voter could only choose three candidates and the representative would be elected with a vote of only several thousand". (Ibid.).

The results of the elections have shown significant changes in the composition of the new Parliament. Several characterizing features can be singled out. First of all, the broad Maronite boycott of the elections led to the exclusion of many Maronite traditional leaders. (Harik, Khashan, 1993). In districts most affected by the boycotts, the elections were "unprepossessing and almost farcical", with candidates being elected by the votes of just several households or neighborhoods. (Salem, 1994). The change in the profile of parliamentary deputies was most visible among the Sunni and Shi'a, especially since it was the first electoral breakthrough and admission into Parliament, for the first time since the creation of Lebanon of Muslim fundamentalist deputies. In total, the new Parliament included eight Shi'a deputies from Hezbollah⁶ and four deputies representing two Sunni fundamentalist movements. (Harik, Khashan, 1993). Hezbollah's win can be attributed to their early declaration of support for the elections and their vigorous and professional preparations for them, as well as providing of social services in poor areas over the previous years and their strict organization on election day. (Salem, 1994). In Beirut, Salim el-Hoss led a list of respectable intellectuals to a

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⁶ Due to the nature of the topic that the given thesis concerns itself with, the history of Hezbollah's emergence in Lebanon will not be covered. However, as Hezbollah is an important force on the Lebanese political scene, its development is important. For a detailed analysis of Hezbollah's history, see: Norton, Augustus R. *Hezbollah: a Short History*. Princeton: Princeton University Press, 2007.

large victory under the slogan "salvation and change", while Nabih Berri's Amal Movement was the clear winner in southern Lebanon. Berri went on to claim the post of the Speaker of Parliament. Other ideological parties supported by Syria also made unprecedented gains, while the Karami and Franjiyah families consolidated their positions in the North. (Harik, Khashan, 1993). Generally, it can be concluded that the newly formed Parliament shared an overall characteristic of being friendly towards Syria. Although the opposition refused to recognize the legitimacy of the Parliament, they had refrained from further escalating the conflict. The international community issued no firm verdict about the elections, eventually simply accepting them as a fait accompli. (Salem, 1994).

With the elections accomplished, the government of Rashid al-Sulh had served its main purpose. However, the economy of the country was still badly suffering. The national currency had continued to free-fall since February 1992. It had finally become apparent that Lebanon needed a government that could avert the socio-economic disaster.

3. Period of Postwar Reconstruction (1992 – 2005)

3.1. Rafiq al-Hariri's Administrations (31 October 1992 - 2 December 1998)

"The Lebanese people voted this time for change, ... So they are not satisfied with the actual situation. They want to see a new government. They want to see a new vision."

- Rafiq al-Hariri

Rafiq al-Hariri is described by many as a self-made businessman. He left Lebanon in 1965 for Saudi Arabia, where he established his own construction company, CICONEST, in 1969. The rapid construction of a palace for the late Saudi King Khalid won al-Hariri praise from the Saudi monarchy, granting him Saudi citizenship in 1978. He then went on to becoming Saudi Arabia's leading entrepreneur, acquiring Oger in 1979 and founding Oger International, based in Paris. Al-Hariri's business interests extended from banking, real estate, to oil, industry and telecommunications, (*Aljazeera.net*) in 1993 founding the Future TV television station in Beirut and the *Almustaqbal* newspaper, as well as buying stakes in several other Lebanese newspapers. Rafiq al-Hariri turned to philanthropic projects in 1979, with the founding of the Hariri Foundation, investing millions of dollars into reconstruction and development projects in Lebanon, as well as higher education of young Lebanese. (*Rafik Hariri Foundation*).

Al-Hariri had, however, been very active behind the scenes on behalf of Lebanon. In 1989 he was one of the prime movers of the organization and successful conclusion of the Ta'if Accord, further using personal funds to finance the Accord. (*Aljazeera.net*). His financial wealth allowed him to create a patronage network within political and official circles, while his interest in the post of the Prime Minister of Lebanon was hardly a secret. President Elias Hraoui, a friend and political ally of al-Hariri, had favored his appointment since assuming office in 1989; however, Syria had twice overridden Hraoui in favor of Karami and then al-Sulh. In October 1992, the situation had changed. According to Paul Salem, there existed four main reasons behind the change in Syrian policy regarding the acceptability of such an independent and powerful figure as al-Hariri was.

First, as with the general elections, Damascus wanted to increase the credibility and legitimacy of its position in Lebanon in order to face the scrutiny and pressures of the so-called New World Order. Second, the appointment of Hariri was a tit-for-tat - a means to appease Western and local critics unhappy about the ignoring of the redeployment deadline mentioned in Taif. Third, the appointment of Hariri at a time when Bill Clinton had all but secured electoral victory in the American elections was also a gesture to begin on positive terms with a new American administration that was expected to be more hostile to Syria and friendly to Israel than the previous one. Finally, Hariri's appointment was part of a general Syrian rapprochement with Saudi Arabia following the collapse of its traditional patron, the Soviet Union. (Salem, 1994).

Al-Hariri's thirty-member Cabinet included many respected and intelligent technocrats and business leaders. Their appointment on October 31, 1992 immediately inspired confidence and optimism in the country, while al-Hariri himself strove to be seen as a statesman and a savior of the nation torn by war and devastated by inflation, currency devaluation, deteriorating living standards and public services. Al-Hariri strived to be a national, rather than just a Sunni, leader. (International Crisis Group, 2010: 3).

Very quickly, al-Hariri set out to redress the economy, focusing on economic development, helping to stabilize the currency, liberalizing the economy, stimulating foreign aid, rebuilding state institutions, reforming public administration, rehabilitating the public infrastructure — electricity, communications, water, road and sewage networks, and generally improving living standards of the Lebanese. He further sought to restore Lebanon's position in the Arab and international scenes, taking on an ambitious project of turning Beirut into a major regional capital. In his Cabinet statements al-Hariri, however, largely played down political issues, steering clear of sensitive topics. (Ibid.).

Upon assuming office, al-Hariri asked for a six months grace period, until the spring of 1993, before the results of his efforts would appear. During these six months, the Government began laying the groundwork for large-scale rehabilitation and reconstruction projects, including soliciting tenders from international companies specializing in electricity, communications, water, etc. Al-Hariri's Government pursued the establishment of a highly controversial Downtown Beirut Real Estate Company, intended to allow the establishment of a private company to "appropriate lands in the destroyed downtown portion of Beirut and take the initiative in development and

reconstruction there on a commercial basis" (Salem, 1994). The company was establish by the spring of 1993, and "plans were underway to complete the property estimates, distribute shares accordingly, solicit outside cash investments, and begin reconstruction work" (Ibid.). Al-Hariri also established Solidere, a state-managed stock company to rebuild the market center of Beirut (*Aljazeera.net*).

3.1.1.Horizon 2000

Mobilizing resources for investment has been one of the greatest challenges of Lebanese post-war governments, as the foreign contributions had remained below the promised 2 billion USD by the Arab League in 1989, and below the 3.5 billion USD estimated as the country's needs in the Bechtel and Dar al-Handasah plan, which was commissioned earlier and adopted as the official government rehabilitation plan by Omar Karami's government. (Salem, 1994). Al-Hariri, however, had unveiled a new, broader, longer-term economic revival plan - the Horizon 2000. Its main aim was better sectoral and regional balance, expansion of key sectoral infrastructures and a general rehabilitation of infrastructure. The program of Horizon 2000 went beyond the initial emergency works of the previous plan, as it intended to lay foundations for future economic growth. In its 1995 version, the program envisioned a total public investment of 17.7 billion USD⁷ between years 1995 and 2007, into sectors of physical infrastructure, social infrastructure, public services, productive sectors, and the state apparatus. The envisioned investment program was considerably front-loaded, as the first three-year period of 1995-1997 assumed an over 6 billion USD in capital outlays. This was more than one-third of the total public expenditures intended for the entire period of Horizon 2000. (Wetter, 1999: 6). In 1995 the World Bank became concerned about Lebanon's growing public debt, suggesting that the Government should scale down its commitments under Horizon 2000. (Dean, 2003: 742). Following revisions and considering slippages in implementation the al-Hariri Government reduced the number to 4.6 billion USD, while realized contracts showed it to be even less⁸. (Wetter, 1999: 6).

⁷ Valued at 1995 prices.

⁸ For a table of the sectoral distribution of actual and projected public expenditures, contracts awarded and contracts in preparation as of January 1998 of Horizon 2000 program, see Appendix 2.

The macroeconomic model of the Horizon 2000 implied private sector investments of almost 42 billion USD in the time period between 1995 and 2007, more than twice the size of the public program. Such an assumption was made due to historical data that showed that the private sector accounted for approximately eighty five percent of Lebanon's gross domestic product (GDP). Thus, GDP growth was expected at eight percent a year, which would be enough to double per capita GDP at the end of the thirteen-year period of the program. "The public finance scenario of Horizon 2000 was based on a fiscal adjustment process that was expected to yield a zero primary current balance in 1999 and a surplus thereafter, which would rise to more than 8 percent of GDP by 2007." (Ibid.).

The financing strategy of the reconstruction program focused on maximizing external finance, in order to contain the government's domestic debt. Funding was obtained through grants, soft loans, commercial loans with export guarantees, as well as private financing as part of projects operated by private companies. By the end of 1997, "documented" foreign funding amounted to the equivalent of 4 billion USD⁹. (Ibid.: 8).

3.1.2. Southern Lebanon

Lebanese post-conflict governments inherited an ongoing resistance movement in southern Lebanon that began with Israel's military involvement with "Operation Litani" in 1978. The resistance led by Hezbollah largely eluded the control of the central government and instead maintained almost exclusive relations with Iran and Syria. (Harik, 1997). For Iran, Hezbollah was the realization of the country's goal of spreading the message of the "Islamic revolution"; Syria on the other hand had no overall interest in seeing Hezbollah, or any other political force, triumph in Lebanon, yet maintained a strategy consistent with principles of Realpolitik. It had neither eternal allies nor perpetual enemies in Lebanon, and the leadership of Hezbollah understood this, maintaining a strategic alliance with Damascus. (Norton, 2007: 34-35). During the Civil War Hezbollah had no incentive to form a working relationship with the government in Beirut; however, over the years support for Hezbollah had increased,

⁹ For a table of "documented" foreign funding for the Horizon 2000 program, as of December 31, 1997, see Appendix 3. The table excludes foreign currency bonds and financing provided by two cellular telephone network operators, which was estimated to be at around 150 million USD.

complicating the Governments' initiatives to influence resistance activities in the south. This became apparent after Hezbollah's victory of parliamentary seats in the 1992 election (Harik, 1997).

As al-Hariri's Government began slowly reconstructing Beirut and the North, the South of the country remained impoverished and a battleground for Hezbollah-Israeli offensives. Unlike other militias, which disbanded after the Ta'if, Hezbollah, which signed the Accord only after the approval of Iran, justified the maintenance of its armed forces by referring to them as "Islamic resistance" groups, not militias. The existence of these groups was widely, though not unanimously, supported in Lebanon as the forces were said to be committed to defense against the Israel-sponsored South Lebanon Army (SLA) and to ending Israel's occupation. (Norton, 2007: 83-84).

Rafiq al-Hariri faced another challenge in July 1993, when Israeli armed forces launched their fiercest offensive since 1982 – "Operation Accountability", or what the Lebanese refer to as the Seven Day War (Human Rights Watch, 1996: 8). The attack was aimed at Hezbollah-led forces and other guerillas located in southern Lebanon, intended to curb rocket fire on the northern Israeli communities living close to the Israeli-Lebanese border. The operation was designed to target villages in the largely Shi'a areas, in a way that would create a flow of refugees towards Beirut, in order to put pressure on the al-Hariri Government to rein in the guerillas. (Ibid.: 10). This resulted in the vast majority of casualties being civilians (Ibid.: 11).

Mediation by the United States and Syria produced an unwritten agreement, a modus vivendi between Hezbollah and Israel. According to these practical "rules of the game", Israel would not attack civilian targets in Lebanon, while the Hezbollah-led resistance forces would focus their actions on the southern "Security Zone" The agreement led to a temporary reduction in the intensity of violence. (Norton, 2007: 84). However, Hezbollah continued to strike Israeli targets. In April 1996, Hezbollah fighters fired katyusha rockets into northern Israel, wounding thirty-six people and killing an Israeli soldier in the "Security Zone", as a retaliation for the killing of Lebanese civilians. The Israeli Defense Forces again launched a major campaign into Lebanon. "Operation Grapes of Wrath" continued for over two weeks, with targets attacked in the southern part of the "Security Zone", the Beka'a valley and the southern

¹⁰ For a map of the Israeli occupied "Security Zone", see Appendix 4.

outskirts of Beirut. (Dean, 2003: 1032). The intention of the operation was mainly to undermine the popular support for Hezbollah among the Lebanese, as well as prompt Syria to restrain the organization. (Norton, 2007: 84).

Israel's "Grapes of Wrath" campaign against Lebanon is said to be strikingly similar to "Operation Accountability". Statements by Israeli officials and spokesmen showed that both operations pursued the same goals and used the same strategies. The escalation of violence also showed the lack of control of the Lebanese Government over the territory. Al-Hariri's Government was simply facing the massive population dislocations and destruction caused by the hostilities between Hezbollah and Israel, which it could not foresee or forestall. Furthermore, "while taking draconian measures to avoid a run-in between the Lebanese army and Israeli forces in the south and staying out of Hezbollah's way, the government is nevertheless pursuing a goal diametrically opposed to that of the resistance. The state's basic aim is to end the violence in the south, whereas the *raison d'être* of the resistance is to fight the occupiers" (Harik, 1997).

The cease-fire in 1996 was brokered by the United States Secretary of State, Warren Christopher, who succeeded in persuading both sides to abide by the rules set in place in 1993. This time the agreement was written down, and further provided for the establishment of an Israel-Lebanon Monitoring Group, consisting of the United States, France, Lebanon, Syria, and Israel to oversee the implementation of the cease-fire agreement. (Dean, 2003: 1032).

The campaign of April 1996 left over 150 people dead and caused massive destruction in a country slowly beginning its path to recovery. According to economist Dr. Marwan Iskandar, the sixteen day operation cost Lebanon 500 million USD. The figure includes both direct costs as well as costs incurred due to delays in the execution of projects, further disrupting business (Lebanese Center for Policy Studies, 1996).

Following the cease-fire, Rafiq al-Hariri sought the establishment of a consultative committee consisting of the United States and European Union member states to help with Lebanon's development. He also voiced the need for the Government to raise the needed 5 billion USD for reconstruction in the years 1997-2001. This was the first time the Government acknowledged its inability to secure the funding originally intended for Horizon 2000. The Council for Development and Reconstruction

reported the receipt of 2.7 billion USD from foreign donors. However, the Government claimed to have received pledges of 3.2 billion USD for the period to the end of 2001 at the "Friends of Lebanon" meeting held in Washington in December 1996. Approximately thirty countries and many international organizations attended the meeting. The lack of detail about projects and the 1.8 billion USD discrepancy in donations raised doubts about the true level of funding commitments at the meeting. Furthermore, the failure of the Middle East peace process imperiled al-Hariri's plans of making Beirut the regional services center. Nevertheless, the Government began working with institutions such as the Investment Development Authority of Lebanon on plans to rebuild infrastructure, offering special incentives to foreign companies to invest in southern Lebanon. (Dean, 2003: 742).

3.1.3. Other Aspects of al-Hariri's Three Consecutive Administrations

Al-Hariri faced a number of major obstacles during his three consecutive administrations. First of all, al-Hariri was often accused of promoting his own business at the expense of the broader public good of the country. This was particularly the case when companies he owned undertook colossal public projects, either in part or in full, but not always in full transparency. Secondly, the success of al-Hariri's reconstruction project depended largely on a peaceful regional context, especially with regards to the Arab-Israeli conflict, as it was crucial to ensuring the attraction of investments, businesses and tourists to Lebanon. (International Crisis Group, 2010: 3). Furthermore, al-Hariri was often criticized for his economic policy that many viewed as overly costly. Rafiq al-Hariri's mix of personal interests and public office made critics accuse him of running Lebanon like his "private fiefdom" (Knudsen, 2005: 4). Although he repeatedly invested his own funds into charities, his Cabinet's policies and economic activities were often marked with widespread corruption. Corruption was most visible in the booming construction sector, which combined the interests of private businesses and immense public spending through Lebanon's deeply rooted clientelist system. (Ibid.).

Al-Hariri's "borrow-to-build" and "spend now, pay later" strategies left the country heavily indebted. In 1996 the economic growth rate fell to four percent, in 1998 it was only three percent. (Ibid.: 5). Lebanon's GDP growth also remained disturbingly low for a country engaged in reconstruction, and considerably lower than envisioned by

the Horizon 2000. Concern began to rise with regard to the Government's capabilities at financial management, particularly its failure to reduce the huge budget deficit. Further doubt was cast on the viability of the reconstruction program in late 1997, when the members of the Cabinet refused to support al-Hariri's proposal on increasing petrol prices. Al-Hariri intended to raise 800 million USD in bonds on international markets to fund domestic social projects through this plan, which was a part of a larger emergency plan to decrease Lebanon's foreign debt through revenue from taxes and price rises. Public disquiet began arising, mainly due to the unavailability of funds for welfare, while the agricultural sector was suffering from a large influx of Syrian produce (Dean, 2003: 742). A manifestation of public discontent occurred, for example, on July 4, 1997, in the *thawrat al-jiyaa*, or the "revolution of the hungry". Led by Sudhi al-Tufayli, former Hezbollah secretary-general and their regional rival, the populist platform demanded job creation, crop subsidies, free education, electricity and water, state benefits and pensions. Though the Government banned the rally, several thousand followers still attended. (Norton, 2007: 105-106).

From time to time al-Hariri would come into conflict with either the President Hraoui or the Speaker of the Parliament, Nadir Berri. Each time al-Hariri would threaten to resign, which was enough to depress the stock market and the exchange rate. Each time concessions would be made and al-Hariri would be kept in office. Given al-Hariri's personal influence on the economy, his threats proved to be a potent tool. (*The Estimate*, 2000).

The most substantial crisis for al-Hariri occurred in November 1998. Syria orchestrated the election of a new presidency, naming General Emile Lahoud, the former army commander of staff, to the position. In his inauguration speech, Lahoud stressed "the preeminence of the rule of law, the strengthening of governmental institutions, the requirement for transparency and accountability in the conduct of public affairs and the promotion of social justice and equality" (International Crisis Group, 2010: 4). These remarks were intended as indirect attacks on Rafiq al-Hariri, against whom the President immediately positioned himself. Consequently, al-Hariri was ousted from power on December 2, 1998, after holding the position of Prime Minister for nearly six years. He was replaced by Salim el-Hoss, while the Cabinet was almost completely reshuffled. Since al-Hariri left at a time of serious economic decline, his

departure did not cause much public anger. The public mood was ready once again to accept a new leadership. (Ibid.).

3.2. Salim el-Hoss' Administration (2 December 1998 – 23 October 2000)

Salim el-Hoss' term as Prime Minister started on December 2, 1998. The newly appointed Cabinet consisted of technocrats with either ambitious portfolios or close ties to the present regime. Salim el-Hoss pledged to "implement administrative reforms, to reduce the burdensome public-sector payroll, counter corruption in public life and improve fiscal discipline" (Dean, 2003: 743), further identifying the elimination of monopolies as a priority. The private sector was to take on a fundamental role in job creation, the telecommunications and electricity sectors were to be deregulated, while the reorganization of the water supply network, which was delayed under al-Hariri's Government, was to proceed. (Ibid.).

The Cabinet of el-Hoss quickly began the prosecution of the members of the former al-Hariri Cabinet on cases of waste and embezzlement. Ministers Fouad Siniora and Shahe Barsoumian were accused of wasting public funds, together with Camille al-Asmar, the director-general of the Ministry of Tourism and Antiquities. El-Hoss further announced that a large number of directors general and civil servants would be dismissed. (Mattar, 2004: 179-180). These measures of anti-corruption campaigns and investigations targeted al-Hariri's close allies, and were seen by many as ways of limiting the ex-Prime Minister's influence and marring his reputation. (Mühlbacher, 2009: 220). However, these prosecutions ended shortly after their beginning, when the investigations reached the Council for the South and the Ministry of Information, the employees of which were largely associated with the Speaker of the Parliament. Furthermore, there have been reports of Syria blocking prosecutions and indictments of some Shi'a politicians and executives associated with Amal or other parties. "Singling out Siniora gave rise to a concerted campaign orchestrated by political forces that considered themselves targets; they played the sectarian tune inflaming confessional fanaticism, particularly the Sunnis" (Mattar, 2004: 180). Consequently, el-Hoss' calls for integrity and institutional overhaul were no longer credible and it was said in Lebanon that "until circumstances allow for the corrupt from all communities to be prosecuted, none shall be prosecutes, thereby threatening accountability" (Ibid.).

Despite the powers granted in the Ta'if Accord, the President prevailed over the Prime Minister in this Administration. El-Hoss did not utilize the improved status as head of government, while President Lahoud began openly integrating traits derived from the Syrian regime. The Cabinet and its inexperienced members were sidelined as a "behind the scenes" group of military and security service personnel became the main source of influence. The epicenter of power shifted from the Cabinet to security and intelligence services, from the Prime Minister to the President. As Lahoud's ties were stronger with the Syrian regime than with the Lebanese Cabinet, the "shadow government above the government" continuously undermined the authority of el-Hoss' administration. For example, Lahoud regularly sent intelligence officers to check various departments of the Government and ministries to verify that matters were running smoothly, reporting directly back to him. Some ministers reported to him personally as well. Furthermore, Lahoud appointed his son in law to the position of the Minister of Interior. Consequently, Lebanon's civil society was excluded from policy making, while opposition to Syrian military presence mounted during this Administration. (Mühlbacher, 2009: 220).

However, Lebanon witnessed the removal of Israeli troops from southern Lebanon during the administration of Lahoud and el-Hoss. In April 1998, the Israeli government adopted the decision

accepting UN Security Council Resolution 425, so that the IDF will leave Lebanon with appropriate security arrangements, and so that the Lebanese government can restore its effective control over Southern Lebanon and assume responsibility for guaranteeing that its territory will not be used as a base for terrorist activity against Israel." In addition, the government "calls on the Lebanese government to begin negotiations, on the basis of UN Security Council Resolution 425 to restore its effective control over territories currently under IDF control, and to prevent terrorist activities from its territory against Israel's northern border. (Israel Ministry of Foreign Affairs, 2003).

The Israeli cabinet unanimously voted in favor of full troop withdrawal on March 5, 2000. While it was expected that the withdrawal would be part of an agreement between Israel, Lebanon and Syria, providing each of the negotiating sides with a guarantee, this

did not happen after negotiations broke down and Syria refused to continue talks with Israel. Israel thus unilaterally withdrew its troops from the "Security Zone" on May 24, 2000. A thousand Lebanese soldiers and police were deployed near, though not at, the border with Israel on August 9 of the same year. The thin strip of land between the Lebanese forces ensuring the country's sovereignty and the Israeli forces stationed on the border itself was marked by the presence of both Hezbollah and United Nations forces. (Eisenberg, 2000).

The South Lebanon Army ceased to exist in the summer of 2000. The largely Shi'a 70th Battalion completely collapsed at the beginning of the withdrawal, while the rest of the two and a half thousand member force either surrendered or sought refuge in Israel. Military trials against hundreds of SLA members who surrendered to Hezbollah or were turned over to the Government began in Beirut shortly after the withdrawal. Being accused of collaboration with the enemy, SLA members received sentences ranging from several months to many years. The commanders were tried in absentia and sentenced to death. It was left unclear whether the Government's purpose was to punish or assimilate Israel's past allies. (Ibid.).

The withdrawal of Israeli troops and consequent reincorporation of territories in the south formerly controlled by Israel meant that Lebanon was once again a fully integrated political and economic entity, at least in principle. This renewed hopes for the earnest beginning of the long planned reconstruction of Lebanese economy. The Government started approaching donor nations for aid for development projects in July 2000, from which a portion of the funds would go towards rehabilitating the damage caused by the lengthy Israeli occupation of twenty-two years. Although optimistic signs were becoming visible, such as the building of motorways, attraction of new funds for development projects in southern Lebanon, expansion of telecommunication networks, low inflation and a recorded surplus on the balance of payments, political weakness and divisions within the el-Hoss Government prevented the Administration from carrying out most of its economic promises. Furthermore, the United States made it apparent that they would not provide substantial aid until it was the Lebanese Army, not Hezbollah, which controlled the southern territories of the country. (Dean, 2003: 743).

El-Hoss' Government failed to repair the deteriorating economic conditions, corruption and political stagnation. Moreover, the Cabinet's policies led the economy to

retreat into recession. The Government failed at implementing measures that would boost state revenues. For example, it failed at gaining the support of the Parliament for the introduction of the value-added tax (VAT), and did little more in establishing the principle of privatization, although it was at the core of the plan to reduce the public debt. The Cabinet hardly addressed the two main elements of government expenditure – debt servicing and public sector salaries. (Ibid.). Thus, el-Hoss' policies realized only into half-hearted measures, leading to political polarization, administrative paralysis, public disaffection with the Administration's failure in restoring crucial economic conditions, and the threat of scaring of investments. (Mühlbacher, 2009: 221).

An opposition line emerged, grouping together Rafiq al-Hariri and Walid Jumblat in their efforts of blatantly attacking the plans of the Government to promote reforms. "Signs of popular disenchantment with Lahoud's style of governance and the Christian camp's sense of alienation increased as Patriarch Sfeir and Michel Aoun intensified their critiques against the state of vassalage" (Ibid.). The elections of 2000 proved to be al-Hariri's golden opportunity to regain power and "prove that he was irreplaceable" (Ibid.). Moreover, el-Hoss' condescending electoral campaign against al-Hariri produced feelings of public sympathy towards his opponent. In spite of his tempestuous relations with Lahoud, al-Hariri was further able to reconcile with the President, displaying flexibility in their negotiations, leaving Lahoud no choice but to appoint him as the new Prime Minister. (Ibid.).

3.3. Rafiq al-Hariri's Administration II. (23 October 2000 – 21 October 2004)

When in 1998 Rafiq al-Hariri was maneuvered out of office, after spending six years in the post of the Lebanese Prime Minster, the majority of Lebanese were happy to see him go. But in 2000 disappointment over Salim el-Hoss' administration was widespread, largely due to his inability to deal with the economic chaos he inherited from al-Hariri. Subservience to Damascus further angered the population. Consequently, many welcomed the return of al-Hariri, who won eighteen seats in Beirut, defeating his two major Sunni opponents, and himself winning more votes than any other Sunni candidate in Beirut. (Norton, 2007: 124). Al-Hariri formed his fourth

Cabinet on October 23, 2000. It consisted of thirty members and accommodated different loyalties that reflected the rapprochement between al-Hariri and Jumblat and the alignment of Lahoud with Syria. The Cabinet nevertheless marginalized the Maronite opposition, which quickly labeled it as a disaster. (Mühlbacher, 2009: 221).

However, prior to analyzing his administration's efforts and al-Hariri's political decisions, it is important to understand the system he operated in and its implications for his term. First of all, it is important to stress the sectarian nature of the political system that prevailed, consequently making each member of the power troika a representative of their sectarian communities, rather than a nation as a whole. Furthermore, the client-patron system was detrimental to reforms. The stormy relations between al-Hariri and his main problem and personal nemesis President Emile Lahoud and his security regime further rendered a stable political environment hard to establish. While al-Hariri advocated a neo-liberal economy with a trace of authoritarianism, Lahoud saw Lebanon's future as a state with clear authoritarian features, where the central role would be played by the military. (Ibid.: 222). The disunity of al-Hariri's Cabinet was another setback that the Prime Minister had to deal with. Within his Cabinet, six ministers reported directly to Lahoud, seven to Syria, four to Berri and three to Jumblat. Lahoud further assumed the prerogative to chair certain Cabinet meetings, although under the Ta'if Accord it is the duty of the Prime Minister. He often went on further as to summarily dismiss al-Hariri's agenda for the meetings (Norton, 2007: 125), or to a point where ministers were given sealed envelopes with instructions on how to vote on every proposal on the agenda. (Hirst, 2010: 299).

Finally, al-Hariri's plans hinged on the goodwill of Damascus, as Syrian presence in and influence on Lebanon were immense. Al-Hariri, who was an Arab nationalist, but above all a pragmatist, realized that for a small state like Lebanon preserving good relations with a larger neighbor was an imperious necessity. Al-Hariri was hardly anti-Syrian in his maneuvers, often making large efforts to accommodate Syrian interests, sometimes even promoting them on the international level alongside Lebanon's, to such a degree that Jumblat called him "Syria's unofficial foreign minister, much more important than the real [one]" (Ibid.). Al-Hariri's economic policies were not contrary to Syrian interests, as the reconstruction of Lebanon provided underqualified workers from Syria with employment and revived the traditional division of

labor between a more socialist Syria and a more liberal Lebanon, which was reemerging as a commercial, banking and consumption center. It also fueled corruption involving the elites of both states, as a result making it easier for Damascus to control Beirut's political class. (International Crisis Group, 2010: 4). In 2001, corruption was endemic in Lebanon, with the Government losing over 1 USD billion every year as a result of corruption in public administration, according to the United Nation's Inter-regional Crime and Justice Research Department. (Dean, 2003: 743). While according to the 2004 corruption perceptions index, Lebanon scored 2.7, ranking it in ninety-seven's place out of a total of a hundred and forty-six countries (Knudsen, 2005: 4).

Tensions continued to increase due to the turbulent Lahoud-al-Hariri relationship, which reflected growing Syrian intrusion. The withdrawal of Israeli forces from south Lebanon concurrently encouraged greater Lebanese opposition to continuing Syrian military presence in the country and Hezbollah's armed status. (International Crisis Group, 2010: 5). South Lebanon continued being a region of instability, especially when Hezbollah launched an operation in the Shebaa Farms¹¹ area in October 2000. Hezbollah captured three Israeli soldiers, who died either on the spot or later from their wounds, with their bodies exchanged only in January of 2004. Following this operation, Israel resumed regular violations of Lebanese airspace and territorial waters, which it had previously ceased in May 2000, under United Nations Security Council Resolution 425. (Norton, 2007: 92).

As anti-Syrian sentiments mounted, they ceased to be of only Christian character. For example, Walid Jumblat joined the opposition, while Nadir Berri indicated that Syria would remove its troops from Lebanon "in the near future". Some commentators interpreted these events as a developing schism in Lebanese-Syrian relations. Bashar al-Assad, the new Syrian President, responded to these mounting pressures by taking on a policy of rapprochement with the Maronite community in

¹¹ The area of the Shebaa Farms is located on the border between Lebanon and the Israeli-occupied portion of the Golan Heights. The sovereignty of the area remains disputed, as Syria and Lebanon agree that it is within the territory of Lebanon, while Israel sees it as Syrian territory and since the 1967 Six Day War, when it seized the territory along with the Golan Heights, continues its occupation. The United Nations agreed with Israel that the area is not covered in the Security Council Resolution 425, and certified Israel's withdrawal from Lebanon as complete, even though Israeli forces remained in the Shebaa Farms area. (*Aljazeera.net*, 2010). For more information on the Shebaa Farms area see Al Jazeera's film "The Blue Line Dispute" by Lebanese filmmaker Abdallah El Binni.

Lebanon, in December of 2000, beginning to release Lebanese political prisoners, many of whom were Michel Aoun's supporters. (Dean, 2003: 738)

In early 2001, inter-communal tensions and, in some cases violence, occurred over the controversial presence of Syrian troops. For example, on the twelfth anniversary of Michel Aoun's attempt to expel Syrian troops from Lebanon, in mid-May 2001, several thousand students staged protests at university campuses across Beirut. The Lebanese army and security forces had to intervene. When Cardinal Sfeir returned from the United States, where he called for an end to Syrian presence in Lebanon, crowds of over 100 000 Lebanese Christians greeted him in the streets of Beirut. This raised fear from many Sunni clerics, who saw the situation as potentially developing into a renewed sectarian conflict. (Ibid.).

In April, ex-Prime Minister Salim el-Hoss established the National Action Front, the intention of which was to form an "equitable relationship between the state of Lebanon and Syria to stop one from interfering in the domestic affairs of the other" (Ibid.). But only a few days later, groups in opposition to Syrian presence announced their intentions to hold demonstrations in Beirut, while the pro-Syrian camp planned counter demonstrations. As tensions mounted, al-Hariri's Government banned both demonstrations. A few days later, a parcel bomb had wounded three members of the family of Akram Chehayeb, the deputy of Lebanon's Progressive Socialist Party, followed by the demonstrations in west Beirut by Ahbache, a pro-Syrian militant group, which protested against the "agents" who opposed Syrian involvement in Lebanon. At this point al-Hariri admitted that the situation had become extremely dangerous and expressed the need for a dialog to resolve the differences. In a move to ease the tensions, Lahoud met with Walid Jumblat, while the Minister of Public Health, Sulayman Franjiya, a Christian with close links to Syria, met with Cardinal Sfeir. Sfeir, in turn, adopted a more moderate tone. A few days later, Lahoud visited the Patriarch on Easter Sunday, when the Cardinal confirmed that he now called for "'narrow' but 'transparent' links with Damascus based on harmony and a sincere commitment to respect treaties" (Ibid.).

As Syria began to withdraw its troops from Beirut, its southern and eastern suburbs and Mount Lebanon, while redeploying some troops in the Beka'a valley, in mid-June 2001, many believed this was done to reduce pressure from Lebanese

Christians for a full withdrawal and to demonstrate a return to Lebanese sovereignty in the capital. Others, however, saw this as Syria's fear of future confrontation with Israel. Nevertheless, when Cardinal Sfeir visited the Chouf mountain region on August 3-5, 2001, and Walid Jumblat reciprocated with visiting several Christian towns in the south of Lebanon the following week, in the purpose of holding landmark discussions and demonstrate a new era of reconciliation between the two communities, the Lebanese army intelligence implemented a crackdown on Maronite Christians who were once again demanding Syrian withdrawal. As many as 250 Christians were arrested on charges of involvement in "illegal gatherings" and seeking to destabilize and partition the country on August 7. Many of these people were supporters of Michel Aoun or members of the prohibited Lebanese Forces. Amongst the arrested was Toufik Hindi, a senior official of the Lebanese Forces. It remains unclear whether President Lahoud ordered the arrests, but according to reports, al-Hariri's Cabinet was not consulted; furthermore, Rafiq al-Hariri himself was out of the country when the crack down happened. However, both Christian and Muslim deputies deemed the arrests unconstitutional and the Syrian withdrawal from Greater Beirut largely failed to ease tensions in Lebanon regarding this issue (Ibid.). It could be concluded that Syria's almost obsessive desire to secure its hold over its neighbor came from the regional developments, mainly the United States' invasion of Iraq and heightened pressure from Washington and Paris. (International Crisis Group, 2010: 5).

3.3.1. Lebanon and the "War on Terror"

Prospects for al-Hariri's Cabinet's success were also darkened by the collapse of Israeli-Syrian and Israeli-Palestinian negotiations and the beginning of the second Palestinian Intifada, followed by the election of President George W. Bush in the United States and Ariel Sharon in Israel, neither of whom seemed keen on reopening peace talks. The year 2001 was also marked by the terrorist attacks in New York and Washington on September 11. (Ibid.). Following the attacks, Rafiq al-Hariri stated that Lebanon would support American retaliation efforts, being ready to help if the evidence was clear, subsequently signing United Nations Security Council Resolution 1373, intended to fight international terrorism. Hezbollah issued a statement that condemned

the killing of innocent people anywhere in the world, however warning that the American Administration would use the subsequent fear and panic to exercise "all manner of aggression and terrorism under the pretext of fighting aggression and terrorism" (Dean, 2003: 737). As a result of the September 11 attacks the Francophone Summit was postponed. It was planned to be held in Beirut on October 16-19 and was to be the first time that an Arab capital was selected as the venue. Hosting delegates from fifty-five countries, it would have been the most important international event held in Beirut since the civil war. (Ibid.).

Hezbollah denounced the War on Terror that followed, stating that it was impermissible for any Islamic country, ruler or organization to assist the American Administration in these efforts. Hezbollah's Secretary-General, Sheikh Hassan Nasrallah, further accused the United States of using the terrorist attacks as a pretext to establish military bases around the world. These statements resulted in United States placing Hezbollah on the list of terrorist organizations, while Imad Mughniyah, a member of Hezbollah, was one of the three Lebanese nationals included on the Federal Bureau of Investigations' list of twenty-two "most wanted" terrorists. Furthermore, in early November, the United States requested that the Lebanese Government freeze Hezbollah's assets. The Lebanese Cabinet declined, stating that Hezbollah was a "resistance movement not a terrorist organization and arguing that resistance to Israel was legitimate so long as Israel occupied Arab lands" (Ibid.). Condoleezza Rice, the United States National Security Advisor, stated shortly after that Lebanon would not be able to secure international finance assistance it needed for its economic recovery if it did not comply with the demands. In December 2001, Rice urged Lebanon and Syria to dismantle Hezbollah's military wing, while the American Ambassador to Lebanon repeatedly stated that Hezbollah was an organization that undertook terrorist acts, being further capable on staging them on a global scale. (Ibid.).

Hezbollah was not included on the European Union's terrorist list, issued at the end of December 2001, and thus Lebanon, after six years of negotiations, was able to sign a Euro-Mediterranean Association Agreement with the European Union on June 17, 2002. The President of the European Commission, Romano Prodi, stated that by signing the agreement, Lebanon "clearly indicated its commitment to the values shared by the EU on democracy, human rights, economic liberalization and regional security",

further promising to support Lebanon's application for membership in the World Trade Organization (Ibid.).

With regards to Lebanon's relations with Arab states during this time, a joint communiqué of Syria and Lebanon was issued on March 2002, in response to the peace plan proposed by Saudi Arabia. It concerned the principal exchange of land for peace, and was important in the sense that it drew attention to the right of return of Palestinian refugees, as Lebanon was the permanent settlement of approximately 200 000 Palestinian refuges, as well as drew attention to the dismantling of Jewish settlements. At the end of March, the Beirut Summit of the Arab League Conference was held in Lebanon for the first time since 1956. It unanimously endorsed the Saudi peace plan¹². Yasser Arafat was not permitted to leave the West Bank by Israeli authorities, and thus could not attend the Summit; his address was scheduled to be transmitted live by video from his headquarters in Ramallah. The Lebanese authorities, however, refused to allow the live transmission of the speech at the last minute. They gave few explanations in this regard, causing denouncement by many of the Summit's delegations. Both Rafiq al-Hariri and Nadih Berri boycotted the arrival ceremony after differences with Emile Lahoud with regards to the arrangements for meeting the delegates. (Ibid.).

In the wake of the invasion of Iraq, the United States began seriously impinging the imbroglio of Lebanese-Syrian relations. Congress reintroduced the "Syria Accountability and Lebanese Sovereignty Act", which had been tabled in 2002, after President Bush's plea that he might otherwise forfeit intelligence about al-Qaeda that Syria had been supplying. A Lebanese-American businessman, Ziad Abdul-Nour, led the committee lobbying for the Act, which consequently was adopted in 2003. On the face of it, Lebanon was the main beneficiary of the legislation. However, strongly affected by the Israeli-American lobby, the Act considered Israel's interests to a large degree. The legislation portrayed Syria as a fitting member of the "Axis of evil", demanding that Syria stop destabilizing international peace and security, supporting international terrorism, as well as hosting Palestinian terrorist groups in its capital. The legislation further accused it of developing and deploying weapons of mass destruction and their carriers. In relation to Lebanon, Syria was to end its military occupation and

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¹² For the full text of the English translation of the Arab Peace Plan of 2002, see:

http://news.bbc.co.uk/2/hi/middle east/1844214.stm>.

enable Lebanon to achieve the full restoration of its sovereignty, as well as the integrity of its territory and political independence. The legislation called upon Lebanon to deploy its army in the South, as well as evict all terrorist groups and foreign forces from the area, including Hezbollah and the Iranian Revolutionary Guards. Subsequently, Syria and Lebanon were to enter into serious and unconditional bilateral peace talks with Israel. The House and Senate passed the bill by overwhelming majorities in December 2003, and President Bush signed it into law in May 2004. "Hezbollah, his Administration endlessly insisted, should be dismantled in a Lebanon self-ruled and free of 'all' foreign forces" (Hirst, 2010: 300).

After the attacks of September 11, al-Hariri was seeking to project an image of a Lebanon that was liberal and willing to act as a bridge between the East and West. He hoped to portray the country as a secure place for investment but was met with the Lebanese regime's closed frame of mind and with Lahoud's overemphasis of security and unity with Syria. In 2003 al-Hariri was accused of being overly friendly with the United States and undermining Hezbollah. He received a warning of two rockets fired at the building of Future Television channel in Beirut, that he owned. Furthermore, al-Hariri was pressured into appointing a more Syria-friendly Cabinet in the same year. (Mühlbacher, 2009: 225).

3.3.2. Al-Hariri and the Lebanese Economy

Initially, al-Hariri's return to the post of Prime Minister initiated hope. He was "Mr. Lebanon", larger-than-life, dynamic and internationally influential. (Hirst, 2010: 298). However, the moods of the public quickly changed to popular resentment. The much-awaited economic relief did not occur. Although al-Hariri's colossal efforts of rebuilding the Beirut Central District were remarkable and his economic policies of dynamic liberalism largely contrasted with the indecisive initiatives of el-Hoss' Government, Lebanon still suffered economically. There existed a huge public debt; poverty was widespread, with approximately twenty-eight percent of Lebanese living below the poverty line at the beginning of al-Hariri's Administration; moreover, enormous socio-economic discrepancies existed within the society. Al-Hariri's fourth

Cabinet inherited a country with a series of economic setbacks it was finding hard to tackle. (Mühlbacher, 2009: 222).

Al-Hariri's "borrow to build" strategy left the county's stagnant economy with a debt of 31 USD billion, equaling 180 percent of its GDP. Debt servicing amounted to 3 USD billion a year. This forced al-Hariri's Government to seek an economic bailout of 5 USD billion from the European and Gulf countries. In order to revive the failing economy, al-Hariri's Cabinet introduced a number of measures intended to stabilize the economy, together with the new loans. (Knudsen, 2005: 5). From the beginning of his term, al-Hariri committed his administration to cutting taxes, easing capital spending controls and promoting free trade. He argued that such measures would in the long run lead to an increase in economic activity, higher revenues and in general greater economic stability of the country. Al-Hariri set out his economic reform in a ten-point plan. The Government quickly proposed tariff cuts, vowed to cut the contributions of private companies to the state social security system by up to ten percent, and indicated the importance of carrying out the long delayed privatization program. The Government hoped that the privatization program would help reduce the burden of unprofitable state owned companies, as well as generate revenue to reduce the public debt. (Dean, 2003: 743).

Additionally, the Government introduced an "open skies" policy at the newly expanded Beirut's international airport, lifting the restrictions on aircraft capacity and flight frequencies to and from the airport, which had been in place to protect its national airlines. This was not only an attempt to encourage tourism and improve business at the airport, modernize and lower costs, but as Rafiq al-Hariri said on November 9, 2000, it was a "message that Lebanon has begun opening its doors. The government is serious about activating the national economy as soon as possible." (Airline Industry Information, 2000).

Although the business community was generally pleased with the new economic approach of the Government, some critics were concerned with Lebanon's success being dependent on it reestablishing itself as the region's leading business and services center. At this point, Lebanon was competing against countries in the Middle East that already had well-developed business and tourism infrastructure. Lebanon also had to

counter its continuing negative images as a result of years of political instability and conflict. (Dean, 2003: 743).

February 2001 marked the beginning of a period of large cuts by the Cabinet. First, it approved the closure of the state television station, Télé-Liban SAL, due to the station's financial difficulties, and resulting in the loss of approximately 530 jobs. This was the first large-scale lay off in the public sector since the 1970s. The Government further intended to restructure the national news agency, abolish sugar subsidies, and privatize the state-owned Middle East Airlines and Électricité du Liban. In March, al-Hariri received the support of Nadih Berri for a sharp reduction in the number of civil servants and employees at the sixty-four commercial state companies. This was a particularly politically sensitive issue, since traditionally jobs in this sector were distributed proportionately between Lebanon's main religious communities and provided an important source of patronage for the leaders of the communities. (Ibid.).

The Paris I donor conference also took place in February 2001. The international financial community expressed their support for the economic reforms of al-Hariri's Government, with approximately 500 EUR million allocated to Lebanon unconditionally through the European Union's MEDA program, of which thirty percent was a gift and the remainder was long-term loans. Al-Hariri further visited countries in the Gulf and Japan in efforts to secure investment or aid for the Lebanese economy. (Ibid.).

Despite the persisting opposition, al-Hariri continued with the economic reforms. He focused his policies on "cutting expenditure by reducing the size of the public sector, increasing the proportion of the public debt held in foreign currency in order to reduce the burden of debt servicing, and raising revenues by introducing new taxes" (Ibid.). He was also able to finally introduce the VAT, which was the central feature of his program. Implemented in February 2002, the VAT was to bring in additional revenue of [pounds]L750 billion a year. The Government went further in cutting tariffs and introducing legislation to remove import monopolies. (Ibid.).

In November of 2002, al-Hariri's Government again met with international donors, at the Paris II conference. It sought bilateral assistance restructuring its domestic debt at lower rates of interest. (Knudsen, 2005: 5). The donors agreed to finance 4.3 USD billion of Lebanon's debt. This provided initial security against

criticism for al-Hariri's Government. However, when the Cabinet proposed the budget for 2003, it was met with harsh opposition in the Parliament. It was eventually passed into law, largely unchanged, and included an increase of taxation, a reduction of spending in the public sector and the expansion of the privatization program. Lebanon, however, was left with a national debt of 30 USD billion, or the corresponding to 180 percent of GDP. (Dean, 2003: 744).

3.3.3. The Extension of President Lahoud's Mandate

The more pressure the United States exerted on the Syrian President, the harder he struck back, denouncing the Bush Administration and resolved to tighten his grip on Lebanon. He decided to take the course of adding a three-year extension to the constitutionally permitted single six-year term of the largely unpopular President Lahoud. As soon as the news emerged, Cardinal Sfeir stated that such an act would "finish off, once and for all, what little is left of the democracy we boast about'. Muslim clerics agreed." (Hirst, 2010: 300). Lahoud, however, announced on August 24, 2004 that if a majority in the Parliament endorsed the extension of his mandate, he would not mind. Although the international community issued statements that emphasized the presidential elections as a crucial occasion for Lebanon to reaffirm its sovereignty, specifically the United Nations Resolution 1559¹³, the Parliament voted in favor of extending the mandate. Ninety-six deputies voted for the extension, and "once again, unable to impose democratic mechanisms of accountability, the parliament fell prey to executive and external pressures" (Mühlbacher, 2009: 226).

The 2004 amendment to the Constitution proved to be a crucial point in Lebanese post-war politics. The event showed the great depth and extent of Syrian influence on Lebanon. Many prominent political actors began talking about the death of Lebanese democracy and the political system becoming a Presidential one, relying heavily on security services and disregarding democratic institutions. At the

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¹³ United Nations Security Council Resolution 1559, passed on September 2, 2004, stated the international community's support for a free and fair presidential election in Lebanon, conducted according to Lebanese constitutional laws, without foreign interference or influence. It called upon all remaining forces to withdraw from Lebanon. With nine nations voting in favor and none against (six abstained), the Resolution reaffirmed the international community's call for the strict respect of Lebanon's sovereignty, territorial integrity, unity, and political independence under the sole authority of the Government of Lebanon throughout the country. (*United Nations Security Council Resolution 1559*).

international level, Lebanon became depicted as a subordinate state, which chose to disregard the international community in favor of satisfying its suzerain. (Ibid.: 227). In American and French eyes, Syria had crossed a redline with the extension of Lahoud's Presidential mandate. In al-Hariri's, this became a turning point which pushed him towards declaring his intent of resignation from the post of Prime Minister in June, and joining the opposition. (International Crisis Group, 2010: 5).

Shortly after reelection, President Lahoud announced that his second term would be a new page in political life, a fresh start. This was not a conceivable option for the opposition. On September 6, four ministers, Marwan Hamade, Ghazi Aridi, Abdallah Farhat and Fares Boueiz handed in their resignations, denouncing the amendment. An assassination attempt on Marwan Hamade, a Druze minister, on October 1, was interpreted by many as a threat to all the opposition actors. As the Syrian army once again entered Beirut with the supposed intention of securing the post-election peace, sporadic acts of violence occurred thereafter, while an electricity crisis left the country in the dark for the whole of October. (Mühlbacher, 2009: 229).

Al-Hariri's actual resignation on October 20 came as a surprise, as many expected him to reconcile with the President in the last minute. But intense fighting over the composition of the Cabinet showed that the two politicians disagreed to a point of no return. (Ibid.).

4. Independence Intifada: Inception and Aftermath (2004 – 2005)

4.1. Omar Karami's Administrations (21 October 2004 – 28 February 2005; 10 March – 15 April 2005)

Al-Hariri's replacement, Omar Karami, was a stronger supporter of Syria, and assigned a strongly pro-Syrian Cabinet in October 2004. In November of the same year President Lahoud publicly proclaimed that the cornerstone of Lebanon's foreign policy would be focused around maintaining close relations with Syria (Milton-Edwards, Hinchcliffe, 2008: 70). Indeed, all of Lahoud's rare speeches during this time period were mostly focused around security issues and necessity of coordination with Syria. Karami's Cabinet was similarly marked by provoking and polarizing statements with slight undertones of threats aimed at marginalizing the rising opposition and standing up to the international community. As calls for cooperation from the international community, and mainly the United States increased, Karami's Cabinet rejected entirely the United Nations Resolution 1559. Ambassadors residing in Lebanon were asked not to interfere with the country's internal politics, while Karami himself "warned the opposition against transgressing the red line of security" (Mühlbacher, 2009: 233). These statements reflected the Government's and the President's resolute decision of maintaining a security regime in Lebanon. (Ibid.). These actions of the Government led to a number of popular demonstrations for and against Lebanon's cooperation with Syria. The opposition was widely active during this time, forming an extensive coalition in December 2004, the first united platform in the post-civil war period. The opposition began calling for the resignation of Karami from the post of Prime Minister and demanding the withdrawal of Syrian troops out of Beirut to the border and for Damascus to cease interfering in Lebanese internal politics. (Milton-Edwards, Hinchcliffe, 2008: 70).

Karami stated that the preparation of 2005 elections was one of the Cabinet's main tasks. During his swearing-in ceremony he had made commitments to reform the electoral law, making it more fair and democratic. Karami saw his Cabinet as "committed to taking a major political step forward." (Hourani, 2004). The opposition, however, saw the situation differently. Walid Jumblat had described the Government of

Omar Karami as "unfit to stage the elections and ripe for replacement by another", since he believed that the "process of rigging the upcoming elections has already started through the current government's make-up and through the recent appointments in the judiciary and Internal Security Forces." (Ibid.). Accusing the Government of carelessly spending public funds, Jumblat stated that his main concern were not the elections but "getting rid of this government, which is not unbiased" (Ibid.).

Others further challenged the Government formed under such unfavorable conditions as destined to "drive the country into the pitfall of international quarantine, and into a dangerous economic impasse" (Mühlbacher, 2009: 232). It was predicated that the Central Bank would spend 2.2 USD billion to prevent the fall of the Lebanese pound during this time, while additional economic concerns overshadowed the overall performance of Karami's Cabinet. Furthermore al-Hariri's resignation had threatened the freezing of privatization plans, as the expectations of administrative reforms and privatization plans advocated and initialized by al-Hariri under the umbrella of the Paris II conference were destroyed with his resignation. Karami was deemed as incapable of following up on the reforms settled on at the conference. (Ibid.). Lebanon's VAT became the main source of revenue for the Government, constituting 26.3 percent of total budget income, by the end of 2004 revenues of which rose by 30.29 percent compared to 2003. The revival in economic activity during al-Hariri's premiership had an impact on income taxes as well. By the end of 2004, when Karami had been in office slightly over a month, taxes on income, profits and capital gains grew by 17.2 percent as compared to the previous year, although Karami's Cabinet continued desperately struggling to reduce the budget deficit. (Habib, 2004). Oxford Analytica, a prestigious world consulting organization, had concluded that in dealing with Lebanon's political and economic problems, the government of Omar Karami faced a "mission impossible" (Naharnet, 2004). It claimed that because important political figures in the Government were replaced by "second-grade figures", it would be "impossible for Karami to strike a coexistence balance between Syria's absolute determination to maintain its stranglehold on Lebanon intact and an opposite determination by France and the U.S. for a strict implementation of UN resolution 1559" (Ibid.).

4.1.1. The Murder of Rafiq al-Hariri (14 February 2005)

The opposition was able to become extremely popular in practically no time, mainly due to the previous governments' abuses and deadlocks. Many Lebanese were simply disappointed in the governments. The determination of the plural opposition, known also as the Bristol Coalition¹⁴, presented itself in sharp contrast to the inconsistent politics of the ruling Cabinet. Aware of their differences, the opposition members focused on the points they had in common and elaborated further on a clear program, which they succeeded in publishing in December 2004. The opposition's strongest demand was for the removal of Syrian troops and an intention of illustrating that the Ta'if Agreement and the Resolution 1559 had essentially the same objectives, both of which Patriarch Sfeir reaffirmed in an outspoken declaration in February 2005. But the achievements of the Bristol Coalition were not at this point meeting their expectations, despite the escalation of internal pressures. Syrian troops were only slowly withdrawing and Damascus had not made any decisive moves towards the opposition. Furthermore, the national schism between the opposition, which wanted to see irreversible change and the Government supporters, keen on preserving close Lebanese-Syrian relations, seemed to further delay the implementation of the Coalition's plans. (Mühlbacher, 2009: 278).

The direct catalyst of the change came on February 14, 2005, with the "Saint Valentine's Day Assassination" of Rafiq al-Hariri in the center of Beirut. (Ibid.: 279). A massive car bomb exploded in front of St. Georges Hotel, just as al-Hariri's armored convoy was passing by, the blast killing him and twenty-one others. The assassination triggered an outpour of grief, as masses began gathering at Martyrs' Square in Beirut, the capital's largest public space, surrounded by the newly reconstructed downtown – al-Hariri's legacy. The al-Hariri family, backed by the Bristol Coalition, announced plans for a public funeral to which Government officials were not welcome. (Safa, 2006: 30). As the opposition and al-Hariri's parliamentary bloc released a communiqué accusing the mandatory Lebanese and Syrian regimes for the murder, calling for the resignation of the Government and urging the international community to investigate

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¹⁴ Bristol was the name of the hotel where the opposition held its regular meetings. (Mühlbacher, 2009: 275).

the crime, many Lebanese were convinced that the assassination had been a Syrian attempt to stop the progress of its authority being challenged. (Mühlbacher, 2009: 279).

Rafiq al-Hariri's murder was seen by many as multidimensional, its ramifications extending far beyond Lebanon's borders. The United States and France referred to the possible involvement of Syria in the murder, as the international community increased intense and immediate pressure on Syria. However, the Syrian regime rejected all accusations, denying its involvement. (International Crisis Group, 2010: 5)

What followed were massive and unprecedented demonstrations in Beirut and throughout Lebanon. . A civil society movement began to organize. Many observers noted that the inspiration of the Lebanese activists came from a number of so called "color revolutions" that had taken place earlier: the 2003 Rose Revolution in Georgia, 2004 Orange Revolution in Ukraine, and the Purple Revolution in Iraq of January 30, 2005. (Safa, 2006: 30). Although these events had limited bearing on what was happening in Lebanon, they did have a powerful impact in demonstrating how "displeasure could be portrayed visually and how the media, particularly the foreign media, could be used to the advantage of those voicing the displeasure. This combining of imagery and political slogans... was new in Lebanon" (Young, 2010: 38). The creators of the red and white colors of the movement, later to become known as the Independence Intifada, Cedar Revolution, or the Beirut Spring, demonstrated a full understanding of dictatorships, like the one in Syria, and that it is "almost impossible to silence a population reacting to the same symbols, wearing the same colors, holding up the same signs, and shouting the same slogans, as part of an emotional leviathan that intelligence services can do little to counter" (Ibid.). Coincidentally, the branding for the Revolution was prepared before the assassination of al-Hariri, in preparation for a campaign that was to be launched during the summer of 2005 parliamentary election campaign. Samir Kasir had played an important role in conceptualization, together with the head of Quantum Communications in Beirut, Eli Khoury. (Ibid.).

Public anger expressed after al-Hariri's murder overwhelmed the authorities. The Government was unable to stop the marches that were beginning every evening either near al-Hariri's grave or at the murder site. Facing pressure to solve the crime, the Government produced several stories, one including an Islamist suicide bomber. These

turned out to be false, further compromising the Karami Government. The Cabinet's "weak resolve and inability to provide a serious and satisfactory explanation or investigation increased its vulnerability" (Safa, 2006: 30). The mass marches and demonstrations intensified and united around anti-Government and anti-Syrian slogans, backed by various elements of civil society, using mobile phones, emails, and public announcements, and peaking in late February and early March with the most intense period of street marches in the history of Lebanon. The Government issued bans on the protests; however, it was unable to enforce them, as the marchers from across the confessional spectrum joined together in large numbers in a "rare display of unity in a country beset by religious divides" (Ibid.: 31). The anti-Government rallies had the goal of, firstly, forcing Karami's Government out of power. They believed that even if no direct involvement of the authorities in the murder could be proved, the Government was either incompetent or negligent in uncovering what was seen as an elaborate assassination plan. (Ibid.).

Rafiq al-Hariri had strong ties with the West, including his close friendship with the French President, Jacques Chirac, and good relations with many Arab leaders, especially Saudi Arabia, which saw al-Hariri's assassination as a strike against one of their own citizens, further pressing the Beirut authorities in revealing the full truth behind the murder. (Ibid.: 32). The events had caused the United States to escalate their anti-Syrian campaign, calling for a complete withdrawal of the Syrian army from Lebanon. President Bush warned Damascus that in case of their failure to cooperate with the Resolution 1559 and continued support for extremist factions, international isolation of the Syrian regime would follow. Condoleezza Rice even indirectly mentioned the possibility of a military action. On February 20, an investigation team was sent to Lebanon upon the request of the UN Security Council. Peter Fitzgerald, a high-ranked Irish policeman, headed the UN investigation committee. A day later, Presidents Bush and Chirac jointly called for an immediate Syrian withdrawal before the summer elections. It was with this strong international support that the protesters pressed for their demands of the establishment of a transitional government that would ensure the withdrawal of Syrian forced and hold the upcoming elections. (Mühlbacher, 2009: 281).

On February 28, a parliamentary session was held to discuss al-Hariri's murder, as tens of thousands of people gathered at Martyrs' Square to watch the session live via a large-screen outdoor television. In the middle of the heated session, the first success of the Intifada was achieved, as Prime Minister Omar Karami surprisingly announced the resignation of his Cabinet (Safa, 2006: 32), with the words: "I am keen that the government will not be a hurdle in front of those who want the good for this country. I declare the resignation of the government that I had the honor to head. May God preserve Lebanon" (Associated Press, 2005). This was seen as the most dramatic moment since the protests had started and an enormous victory for the opposition. Protesters immediately began calling for President Lahoud to step down next, with slogans such as "Lahoud, your turn is coming", "Syria Out" and "freedom, sovereignty, independence". (Ibid). It is also noteworthy that a few days prior to the resignation of the Karami Cabinet, the Chamber of Commerce and Industry together with banking and industrial associations had also requested that the Government should step down, mainly due to a growing dissatisfaction with the stagnant economic situation caused by the political disagreements. (Mühlbacher, 2009: 283).

Following the resignation, Omar Karami's Government remained in the role of a caretaker, only to be reappointed ten days later by President Lahoud after hasty talks with the Speaker of the Parliament Nabih Berri. Karami was to form a new Government of national unity. In his acceptance statement Karami stated that all opposition parties would be held responsible for "destructive consequences if they refuse to meet our call to join the government." (El Ghoul, 2005). Syrian involvement in the reappointment was denied by Karami, however, was partly visible in the largest demonstration since al-Hariri's funeral that took place on March 8, and was organized by Hezbollah. It was a party rally in which Hezbollah used its own means to mobilize a large crowd. Yet the people gathered at Raid al-Solh Square were as convinced in what they were doing as the people on Martyrs' Square. Hezbollah's leader, Hassan Nasrallah, stated the main objectives of the rally in his speech. They included the goals "to break the momentum of the Independence Intifada by showing that the other side, the side ignored by the foreign media, could gather more people" and to "publicly "thank" Syria for what it had done in Lebanon", further calling for the formation of a national unity government (Young, 2010: 51).

As the supporters of Syria had a legislative majority at the time, they could name the Prime Minister and maintain the majority in the Cabinet, while sidelining the opposition, thus neutralizing the events occurring on the streets (Ibid.). The opposition, however, completely rejected Karami's appointment and call to form a new Government, stating that "From his previous premiership Karami carries responsibility in the crime of assassinating al-Hariri by the act of instigation and accusation of treason and by misleading the investigation." (El Ghoul, 2005). "This coincided with the March 14 demonstration that changed all the rules, but which in retrospect changed very little" (Young, 2010: 51).

On March 14, more than a quarter of Lebanon's population, approximately 1.2 million protesters, came out to Martyrs' Square and the streets of Beirut in an event larger than Beirut had ever witnessed, demanding for Syria's complete and final withdrawal, the resignation of senior state security officials, the holding of parliamentary elections as scheduled and without the interference of Syrian or its compliant Lebanese Government, and unveiling the truth behind al-Hariri's assassination. (Safa, 2006: 33). It was an exceptional moment in Lebanese history, but also a moment that "raised unrealistic expectations and reflected much more Lebanon's pluralistic cacophony than its unity" (Young, 2010: 52). March 14 was a response to March 8; it presented itself as a merging of interests previously described, however, each of the groups present had their own further varied priorities. The Lebanese Forces wanted Samir Geagea, their leader, released from prison; the Free Patriotic Movement wanted Michel Aoun, their leader, to return from exile; the Sunnis were there to express their loyalty to al-Hariri; the nonsectarian protesters were there to save the events from sectarian politicians. "In truth, March 14 was a manifestation not so much of Lebanon's liberalism, but of how its sectarian thermostat could kick in to defend a pluralistic order that, in turn, safeguarded it liberal instincts" (Ibid.). The March 14 rallies were, however, shown all over the world through Arabic-language satellite television networks. Messages of support began pouring in. For the international community, led by the United States and France, this was a demonstration of a peaceful revolution in the Arab world. Backed by Resolution 1559 and major Arab countries, the United States and France increased their pressure on Damascus to remove its troops from Lebanon, which they began doing in the first week of March. (Safa, 2006: 34).

At this point, Omar Karami had reached another dead end. After being unable to form a Government of national unity since his reappointment, he had once again resigned from the post of Prime Minister on April 14. The opposition began blaming Karami of stalling the elections, as the Parliament's mandate was ending on May 31, and according to the Lebanese Constitution, it is the Government's task to announce the election date at least one month prior. During his final resignation speech Karami stated, "I will not accept a third designation under any condition. The opposition has been saying that we are scheming to delay the elections and if I were to accept a third designation, I would be proving them right." (Asaf, 2005). Karami left the new Government with the task of drafting a new electoral law and supervision of elections. (Ibid.).

4.2. Najib Mikati's Administration (15 April 2005 – 30 June 2005)

"We will be the symbol of moderation and national unity"

Najib Mikati

After accepting Omar Karami's resignation, President Lahoud announced his willingness to consult with the Parliament the new Prime Minister. Najib Mikati, a moderate Sunni candidate proposed by the opposition was appointed the head of the caretaker Government on April 15 and decreed on April 19. Mikati's nomination as the Premier-designate was seen as a fresh start of the democratic transition in Lebanon, as the new Prime Minister pledged to fulfill the demands of the opposition, namely to endorse the international investigate of al-Hariri's murder, supervise the parliamentary elections, and confirm the demise of security officials. The two-months provisional Government was able to adopt new measures that remarkably added to the transparency of the political process in the country. (Mühlbacher, 2009: 292).

Firstly, all members of the Cabinet vowed neutrality, as neither its head nor the members took part in the upcoming elections. Mikati further labeled his Cabinet as the "government of non-hatred, and the beginning of future-making". (*The Official Website of Najib Mikati*). He held regular inter-ministerial meetings to improve the Government's performance. Despite acting as a transitional Government, Mikati's

Cabinet largely contributed to restoring domestic stability. The Cabinet had a record number of meetings, as well as passed decisions and decrees – 644 decrees, 479 decisions, and ten memos. (Ibid.).

Secondly, the new Prime Minister further pledged to organize elections by May 29, which the Cabinet proved able to do with international monitoring bodies supervising the elections, giving the elections and the Cabinet more credibility. And thirdly, Mikati's Cabinet oversaw the stepping down of a number of security officials before the international investigation of al-Hariri's assassination began. Although the changes were not enough for an overhaul of the security apparatus, they did indicate the disintegration of the old Lebanese-Syrian regime. (Mühlbacher, 2009: 292).

The Government also took on a daring decision of issuing legislation that allowed Palestinian refugees to work in a number of specified sectors. Despite, the general public, as well as political, rejection of any Palestinian settlements on Lebanese territory, the legislation enabled the refugees to have a decent life in Lebanon by having the chance to rebuild and refurbish their refugee camps. Furthermore, the "Beirut Pact" was launched as a socio-economic project intended to improve the living standards of Lebanese. After the Cabinet overwhelmingly won the vote of confidence, with 110 deputies voting in its favor (*The Official Website of Najib Mikati*), the UN investigative commission arrived in Beirut, beginning extensive work on finding the truth behind al-Hariri's murder. On April 26, 2005, the last Syrian soldier left the Lebanese territory, for the first time in twenty-nine years. The return of Michel Aoun from exile on May 7 was also marked as an important event during Mikati's Cabinet (Safa, 2006: 34).

The anticipated elections that were held over four consecutive weekends, witnessed coalitions of mixed new and old themes, ideas, practices, and alliances, as well as heated sectarian rhetoric. Hezbollah and Amal won in the South, while Rafiq al-Hariri's son Saad, won in Beirut and in Sunni areas of eastern Lebanon, as well as in the North district, granting his list the needed majority in the Parliament. Michel Aoun won in two of Mount Lebanon's districts and in Zahle. (Ibid.: 35-36).

It is, however, important to mention that this time period also witnessed a large number of attempts and actual assassinations, other than that of Rafiq al-Hariri. On June 2, Samir Kasir, a prominent anti-Syrian journalist, was assassinated when a bomb detonated in his car. Two days after the election, on June 21, George Hawi, an anti-

Syrian former communist leader, was also killed when a bomb detonated as he was getting into his car. On July 12, Elias el Murr, the outgoing Minister of Defense was wounded by a car bomb, yet survived the assassination attempt. This assassination attempt was unique in the series of bombings, as el Murr was an ally of Syria and the son-in-law of President Lahoud. May Chidiac, a Christian journalist, leading anchorwoman, and a critic of Syria, also survived a car bomb assassination attempt on September 25. Gibran Tueni, a prominent lawmaker and journalist, was however assassinated on December 12. Many suspected that the assassinations were a diversion tactic of the regime in Damascus intended to delay the investigation and resulting report of the United Nations investigation of Rafiq al-Hariri's murder that was well underway. (Raad, 2006).

5. Post-Intifada Period (2006 – 20011)

5.1. Fouad Siniora's Administration (30 June 2005 - 9 November 2009)

Despite Saad al-Hariri's success at the parliamentary elections, the patterns of the cast votes resulted in a mixed Cabinet. This complicated the Government's ability to make and implement clear policy decisions. Fouad Siniora, who had served in all five of Rafiq al-Hariri's Cabinets, first as the Minister of State and then Finance, became Prime Minister on June 30, 2005, forming his Cabinet shortly after, on July 16, and winning a "comfortable" vote of confidence from the Parliament on July 30. Siniora's twenty-four member Cabinet contained fifteen members from Saad al-Hariri's bloc and five members from the Shi'a bloc. These included for the first time in the history of Lebanon a member of Hezbollah. Together with Emile Lahoud as President, Nabih Berri remained in the post of the Speaker of Parliament, a post he has held since 1992. (Addis, 2009: 8). From its very formation, the Cabinet of Fouad Siniora had struggled in achieving a broad consensus, even on the smallest issues. This made advancing a national agenda challenging. (Vicenzino, 2006). Many saw Siniora as a technocrat able to achieve consensus on internal issues, but rather powerless on the international scene. Although he was respected as an economic specialist, he was not a political figure. He did, however, try to carry on the role of Rafiq al-Hariri, but he lacked the party or political base. (Pan, 2006). Moreover, Siniora lacked the "international stature, standing, charisma and force of personality of former Prime Minister Rafiq al-Hariri" (Vicenzino, 2006). Siniora's time as Prime Minister is characterized mainly by the events that took place during his time in office and the responses his Cabinet was able to make, rather than by policy decisions.

5.1.1. Special Tribunal for Lebanon

The international investigation of the murder of Rafiq al-Hariri began on April 7, with the UN Security Council adopting Resolution 1595 in which it established an International Independent Investigation Commission. The Commission was fully functional as of June 16, 2005. However, it had requested numerous extensions for its

work, which the Security Council granted with Resolutions 1636, 1644, 1686, 1748, and 1815, extending its mandate, calling for Syrian cooperation and facilitating the establishment of a tribunal for trials of the identified suspects. (Addis, 2009: 2).

The political instabilities that had been going on in Lebanon had delayed the tribunal's beginning. Hezbollah had attempted to constrain the investigation from within the Cabinet by insisting that the Government should retain strict control of any tribunal that would operate as part of the ongoing United Nations investigation. When the motion to authorize a mixed Lebanon-international tribunal was passed in the Parliament in December 2005, Hezbollah and Amal members walked out of the Cabinet. Furthermore, they had accused the Siniora's Cabinet of being a "tyranny of the majority", insisting that all future decisions on the investigation of al-Hariri's murder had to be made under a strict consensus. This walkout tactic froze the Government for two months. Fouad Siniora, nevertheless, managed to persuade the Cabinet members to return, by agreeing to never refer to Hezbollah as a "militia", but only as a "national resistance group". This effectively removed Hezbollah from disarming under the United Nations Security Council Resolution 1559. (Norton, 2007: 131-132).

On November 25, 2006, in the face of continued strong opposition, Siniora's Cabinet finally approved the proposal of the United Nations Security Council to establish the court¹⁵. (Addis, 2009: 9). Unable to receive approval from the President and pro-Syrian opposition in the Parliament, which repeatedly stated that they support the principle of the court, however, do not want to see it turn into a mechanism for attacking Syria, supporters of the tribunal decided to take on an approach that circumvented the need for parliamentary approval. Seventy members of the Lebanese Parliament petitioned the United Nations Secretary-General, asking the Security Council to establish the court. On May 30, 2007, the Security Council voted on the matter, adopting Resolution 1757, which established the tribunal to prosecute those responsible for the murder of the ex-Prime Minister, outside of Lebanon. Although preparations were slow, a set of key events happened in this regard during Siniora's Cabinet. The United Nations finalized an agreement with the Netherlands to host the tribunal in December 2007; in January 2008, Daniel Bellemare was appointed as the

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¹⁵ "The U.N. proposal for the international court is contained in U.N. Security Council Document S/2006/893, Report of the Secretary-General on the establishment of a special tribunal for Lebanon, November 15, 2006." (Addis, 2009: 9).

prosecutor, while in March Robin Vincent was assigned as the registrar for the tribunal and overseer of its management and budget. Lebanon was expected to fund forty-nine percent of the tribunal's costs. The Special Tribunal for Lebanon officially opened on March 1, 2009. (Ibid.).

5.1.2. The July War and Its Repercussions

A dispute at Lebanon's southern frontier on July 12, 2006, was initially intended to be of limited scope resulting in prisoner exchange between Hezbollah and Israel. However, it turned into a full-scale war, leaving hundreds of mainly Lebanese civilians dead. According to Israel, the war was initiated as a consequence of a border-raid by Hezbollah, during which it managed to capture two Israeli soldiers. Israel retaliated by sending a group of soldiers into Lebanon in pursuit. However, when they crossed into Lebanon, Hezbollah guerrillas killed them in an ambush. Hezbollah simultaneously launched Katyusha attacks against Israel. In retaliation Israel launched Operation Change of Direction¹⁶, tasked to destroy Hezbollah's armaments and outposts. On the contrary, Hezbollah claimed that it was Israel that initiated the conflict, when it sent soldiers into Ayta Al-Sha'b, a Lebanese village just north of the Israeli border. (Kattan, 2006: 26).

Hezbollah and Israel found themselves in a situation from which both received not what they had bargained for. Hezbollah, finding itself in a full-scale war, managed to win some battlefield victories along with popularity in the Arab world, however almost completely devastated its Shi'a constituency. Moreover, its tactical and political options were narrowed. Israel, on the other hand, failed to stop Hezbollah's attacks or completely eradicate the organization. (Salem, 2006: 13). Yet the violence of July 2006 confirmed that Lebanon remained the "playground of a sweeping regional and international twister" (Mühlbacher, 2009: 403). The thirty-four day long July War is often described as a "micro-phenomenon", of a much larger battle, played out on Lebanese territory by other international players. "While the Western world was fighting through this war the 'arc of extremism stretching from the Gaza strip to Iraq',

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¹⁶ For a detailed day-to-day account of the July 2006 War see: BBC News. "Day-by-day: Lebanon Crisis." *BBC News*. 18 Jul. - 24 Aug. 2006. Web. 8 Feb. 2011.

http://news.bbc.co.uk/2/hi/middle_east/5179434.stm.

Hezbollah backed by Iran and Syria was trying to rein in 'imperialist' and obtrusive powers trying to redesign a docile Middle East' (Ibid.).

At the War's eve the Siniora Government was at a political stalemate. Key economic decisions were frozen, while the Cabinet coexisted alongside the independent Hezbollah. As the War began, the Government issued a statement criticizing Hezbollah for starting war. The political majority, which became known as the March 14 coalition, suspected Hezbollah, with Syrian and Iranian backing, in deliberately starting the War to cause a crisis situation and oust the March 14 coalition out of power. Hezbollah and its allies in opposition, which were now referred to as the March 8 coalition, on the other hand, suspected March 14 in encouraging the War in order to eradicate it. Tensions between the Sunni and Shi'a escalated further as Israeli forces initially targeted only Shi'a regions of Lebanon. Public opinion shifted when it became apparent that Israel was no merely retaliating for the operation carried out by Hezbollah on July12, but launching a full-scale war against Lebanon. (Salem, 2006: 16-17).

Israel held Lebanon responsible for the attacks. As early as July 12, the Israeli Prime Minister Ehud Olmert stated that the events "were not a terrorist attack, but the action of a sovereign state that attacked Israel for no reason and without provocation. The Lebanese government, of which Hezbollah is a member, is trying to undermine regional stability. Lebanon is responsible and Lebanon will bear the consequences of its actions." (*GlobalSecurity.org*), while Tzipi Livni, Israel's Foreign Minister stated "Hezbollah is a terrorist organization, which is part of the Lebanese government. The international community, including the Security Council, has demanded, repeatedly, that the government of Lebanon dismantle Hezbollah. Lebanon has failed to act and today's aggression is the result." (Ibid.).

Indeed, prior to the War, the Lebanese Government did little to stop Hezbollah. It had declined to deploy the Lebanese army to the southern border and further ordered it not to interrupt Iranian supplies to Hezbollah. While Siniora and his Cabinet members avoided any rhetoric on Hezbollah's right to bear arms and fight Israel, they did frequently denounce Israel in language similar as that of Hezbollah. Furthermore, members of the March 14 coalition, which did not hold Government seats, such as Saad al-Hariri and Walid Jumblat, although repeating that Hezbollah must disarm under Resolution 1559, did not criticize its operations against Israel. Such tacit approval of

Hezbollah's actions against Israel was also due to the coalition's awareness that no other prominent Shi'a political figures would be willing to serve in Siniora's Cabinet, were Hasan Nasrallah to call for a boycott, not due to fear of Hezbollah, but mainly because they would be shunned at large by the Shi'a community. (Gambill, 2006).

Fouad Siniora's Government, however, shifted their stance following the developments of the destructive conflict and the growing divide between the Sunni and Shi'a communities. The Cabinet began extensively working on developing a cease-fire agreement. Surprised by the refusal of the United States to push for a quick resolution and ending the violence, the Lebanese Government put out its own seven-point framework for the cease-fire on July 26. United Nations Security Council Resolution 1701 was built around this framework, however, it took the United States, France, and the rest of the international community another two and half weeks to settle the final agreement. Resolution 1701, unanimously approved on August 11 in the Security Council, called for a stop of the hostilities and the deployment of the United Nations Interim Force in Lebanon (UNIFIL) together with the Lebanese army to the border, south of the Litani River. The Resolution increased the size of UNIFIL troops, put an embargo on arms deliveries to nonstate actors, demanded the return of two Israeli soldiers captured on July 12, and the withdrawal of Israeli troops from Lebanon. It called on Lebanon to disarm all nonstate armed groups. The United Nations Secretary-General was to further work on resolving the Shebaa Farms dispute and the issue of Lebanese captives jailed in Israel. (Salem, 2006: 17).

Hezbollah accepted Resolution 1701 as part of the Lebanese Cabinet, which unanimously passed it on August 12. Nasrallah stated that his militia would honor the ceasefire and once the Israeli offensives would stop, so would Hezbollah's rocket attacks. The Israeli Cabinet passed the Resolution on August 13, and the official ceasefire began on August 14, 2006. (Ibid.).

As a result of the July War, Lebanon suffered serious human and physical losses. The war had also severely damaged the Lebanese economy. Prior to the 2006 War, Lebanon's economy was witnessing excellent growth. Bank assets were reaching over 75 USD billion, while the "primary surplus more than quadrupled during the first half of 2006 compared to the first half of 2005". By the end of the first half of 2006, Lebanon had registered a 49.3 percent increase in tourism as compared to figures of

2005. Market capitalization had reached an all time high, at an estimated 10.9 USD billion, several weeks before the fighting began. (Republic of Lebanon, Ministry of Finance, 2006). Although estimates vary, the total direct damage can be estimated to have been at approximately 2.8 USD billion, while indirect damage is said to be around 700-800 USD million. In its report, Global Investment House summarized the economic effects of the July War on Lebanon:

- Damage to infrastructure: The Israeli attack cost Lebanon to the extent of US\$3.6bn in terms of damage to buildings, bridges etc.
- Increased unemployment: The Israeli attack has impacted two important sectors for the economy, namely Tourism and Agriculture. These two sectors provide employment to about 1/4 of the people...
- Increased dollarization in economy: Deposit dollarization increased to 71.1 percent from 68.4 percent during the period Jun-06 to Jul-06. This is explained by increased risk and uncertainty created by attack and dollar being considered a safe heaven by the investors.
- In Jul-06, the total area of construction permits considerably dropped to 384 thousand square meters, down from 960 thousand square meters in the previous month.
- The total amount of imports of goods dropped to US\$601mn in Jul-06, down from US\$878mn in the previous month.
- The total value of exports of goods reached US\$104mn in Jul-06, down from US\$270mn reported in Jun-06" (Global Investment House KSCC, 2006: 3).

The Siniora Government began work on adapting its medium-term economic program to the new circumstances. In contrast to Hezbollah, the Government had been slow in mobilizing reconstruction efforts. The Government's failure at providing a quick response was seen by many Shi'a as apathy and disregards to their welfare, further marginalizing the population. Much of the initial funding from the United Nations Development Program had gone to reconstructing and rebuilding infrastructure in the greater Beirut area. Comparatively very little funds went to the southern regions that had been devastated the most during the war. (Mooney, Jr., 2007: 34).

In January 2007 the Government presented its new Economic Reform Program at the Paris III donor conference. Although the program made an effort to "balance fiscal measures needed for stabilization with structural measures needed for higher growth" (World Bank Group, 2010), the Siniora Government also stated its intention to

balance expenditures by closing the Fund for the Displaced and the Council of the South, both of which were created as Governmental mechanisms for reconstructing the South. (Mooney, Jr., 2007: 34). The Paris III conference, nevertheless, proved to be a great success. Donors had pledged a total of 7.6 USD billion in assistance, seventy-six percent of which were signed into agreements. By the end of 2009, more than fifty percent of the pledged funds had been distributed. (World Bank Group, 2010).

5.1.3. Political Stalemate and the Doha Agreement

The July 2006 War left Lebanon in a state of political confusion and turmoil. Beginning in November 2006, flushed from what they claimed to be a victory in the war with Israel, Hezbollah set out to paralyze Beirut and all important Government activity. (Norell, 2009: 22). Demanding greater power, it withdrew its ministers from Siniora's Cabinet, after the Government refused to meet its demands for staying in the Cabinet, in hope that that the Government would fall. This, however, did not happen. In December, Hezbollah mobilized its supporters for widespread street demonstrations with the same intention of overthrowing Siniora's Government. (Yacoubian, 2008). Hezbollah set up a tent camp in downtown Beirut, which made conducting business in the area practically impossible. Government offices were under siege and the Parliament could not meet for session. (Norell, 2009: 22). "Political infighting between the government and the opposition continued throughout 2007" (Yacoubian, 2008).

When Emile Lahoud's presidential term expired in November 2007, the presidency remained vacant, as Siniora's Government could not come to terms with Hezbollah on the conditions of electing a new President. Moreover, the Parliament had not met in over a year at this point, postponing the presidential vote numerous times. (Ibid.). The opposing parties also had different viewpoints on the possible candidates. The March 14 coalition, with Saad al-Hariri, Walid Jumblat, and Samir Geagea leading it, wanted one of their coalition members to be elected. They wanted a president, who would have a firm stand on the international tribunal of Rafiq al-Hariri's murder, on the complete elimination of Syrian influence in the country, and on the strict implementations of UN Resolutions 1559 and 1701. Their opposition, the March 8 coalition, consisting of Hezbollah, Amal, Shi'a parties openly allied with Syria, and the Free Patriotic Movement, headed by Michel Aoun, wanted a president who would not

be hostile towards Syria or March 8, would accept that Hezbollah would remain armed, and would not ally Lebanon with the United States. Michel Aoun held his personal main goal of becoming President. (Salem, 2007).

As Siniora's Cabinet had to temporarily assume powers of the President, the power vacuum was unfortunately filled with violence. The same month as Lahoud's term ended, Pierre Gemayel, the Minister of Interior and a key supporter of Fouad Siniora's Government, was assassinated. His death was widely blamed on the influences of Damascus that had remained in Lebanon after the Syrian military withdrawal in 2004. December witnessed rival groups once again taking politics to the streets of Beirut, namely Michel Aoun together with his ally Amal, launched sit-down strikes in Beirut. This was done with the intention of embarrassing the Government into electing a new President. The Cabinet responded with barricading themselves in their offices. The Arab League attempted to intervene, however, received no results, while opposition groups began suggesting the formation of a parallel regime. This was, however, concluded to be too costly and had the potential of bankrupting the country. (Sorenson, 2010: 39).

The crisis continued to escalate until the spring of 2008, when the conflict resulted in clashes between Hezbollah and militia forces supported by the Government. Fouad Siniora's Government took decisive action on May 6. It dismissed Gen. Wafiq Shuqeir¹⁷, the Beirut airport security chief, after he allowed Hezbollah to install surveillance cameras in the airport. The Government also proposed to investigate the legality of Hezbollah's private telecommunications network on the same day. This triggered an immediate response from Hezbollah, which initially manifested through civil disobedience and attempts to take over infrastructure in Beirut. But on May 7 it became clear that Hezbollah was tightening its grip on the country. It managed to close down the international airport and media that had been critical of Hezbollah. Fighting broke out between Hezbollah's better equipped, trained and motivated troops and the supporters of March 14 throughout Beirut and continued throughout the week. The Lebanese Armed Forces remained on the sidelines as Hezbollah took over control of the capital, only to regain it when Nasrallah ordered the troops to give the power back to

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¹⁷ Gen. Wafiq Shuqeir was a member of the Lebanese Armed Forces. Initially, Walid Jumblatt accused him of "assisting Hezbollah with monitoring the travel of anti-Syrian diplomats and government officials". (Addis, 2009: 11).

the Army. The disparity in power became apparent at this point, decisively indicating Hezbollah as the strongest military force in the country. "This show of strength proved effective and politically rewarding for Hezbollah and its allies. Following mediation efforts in Doha, Qatar, an agreement between the warring factions was reached on May 21, 2008". (Norell, 2009: 22-23).

The negotiations, which led to the signing of the Doha Agreement, were facilitated by the Arab League and the Qatari Government. In the Agreement, the two sides agreed to end violence, fill the presidential vacancy, come to an agreement on power sharing in the Cabinet, as well as hold parliamentary elections in 2009. (Addis, 2009: 11). As a result of the negotiations, the Government unilaterally reversed the decisions to investigate Hezbollah's telecommunication network and dismiss Shuqeir. Consequently, Hezbollah rejoined the Cabinet. It had decisively won. (Norell, 2009: 23).

On May 25, 2008, in accordance with the Doha Agreement, General Michel Suleiman, a Christian accepted by both March 14 and March 8 coalitions and their respective international allies, and considered a neutral, was elected President. He reappointed Fouad Siniora as Prime Minister; however, disagreements over the makeup of the Cabinet delayed the formation of a unity Government until July 11. Hezbollah and the opposition gained a blocking minority of one-third plus one seats in Siniora's newly formed Government. The March 8 coalition held eleven ministerial portfolios, while the Minister of Labor was a member of Hezbollah. March 8 coalition had long pushed for such veto power on government decisions, as for Hezbollah it had long been important to block the Government's decision on the disarmament of its militia. (Addis, 2009: 11).

Siniora's second Cabinet was delayed in presenting its policy statement. The Cabinet had to meet twelve times before it was produced, due to the wording related to Hezbollah and its armed status. When the policy statement was released on August 4, 2008, Paragraph 24 included "the right of Lebanon's people, army and resistance to liberate the Israeli-occupied Shebaa Farms, Kfar Shuba Hills, and the Lebanese section of Ghajar village, and defend the country using all legal and possible means." (Ibid.). The statement however also expressed the "commitment of the government to United Nations Security Council Resolution 1701 with all its clauses." (Ibid.). The

Government's policy statement also reaffirmed its commitment to hold parliamentary elections in 2009. "On August 12, the new unity government, with its policy statement, won the Lebanese parliament's vote of confidence". (Ibid.).

Siniora further sought to work on improving Lebanon's economic condition during his second Cabinet. The Cabinet worked on accelerating the implementation of new infrastructure projects to boost confidence in the economy. Although the political impasse of 2008 had an impact on reform efforts, this did not affect reconstruction and recovery efforts. The strong recovery helped contain the fiscal and public debt position. This was mainly due to an increase in privatization proceeds that were used by the Government to pay off some of the public debt. In December 2008, the public debt amounted to approximately 47 USD billion, the equivalent of about 160 percent of the GDP. The ration was at 180 percent of GDP in 2006. However, Lebanon's fiscal deficit before grants remained high. Although decreasing slowly, the deficit amounted to 10.5 percent of GDP in 2008, and 9.1 percent in 2009. Private creditors, mainly domestic commercial banks, held the majority of Lebanon's public debt. The drop in international prices and decrease of import costs was followed by the deceleration of inflation in 2009 in Lebanon. As imports amounted to about forty percent of Lebanon's domestic absorption in 2009, imported inflation had a strong impact on the consumer price index. (World Bank Group, 2010).

The elections held in the summer of 2009, were deemed by many Western observers as the first free elections in Lebanon since 1972. The Government passed important reforms for the June election. The election was held on one day, rather than four consecutive weekends as before. Monitoring of campaigning and campaign spending was carried out for the first time. There was also a great push for improving the accuracy and the transparency of the voter register. Although the Election Day itself was considered a great success, some crucial reforms were still lacking. For example, the introduction of proportional representation, universal ballots, and the creation of an independent electoral commission were still not implemented. (Sharp, 2009). The results of the June elections showed a win for the March 14 coalition, which won seventy-one seats in the 128 seats Parliament. March 8 received fifty-seven seats. The results, nevertheless, once again produced a Parliament of national divisions and a

complicated political scene, within which President Suleiman was acquiring more power through the role of a mediator between the two sides. (*Aljazeera.net*, 2009).

5.2. Saad al-Hariri's Administration (9 November 2009 - 12 January 2011)

Saad al-Hariri, leader of the Movement of the Future, which he inherited from his father, and head of the March 14 coalition, came to full power as Prime Minister only five months after the parliamentary elections. After al-Hariri was designated as Prime Minister in late June, it took him until early November to form a Government of national unity. He had initially set out to create a Cabinet consisting of both the majority and the opposition, however his mission resulted in a political impasse mainly due to disagreements over the composition of the Cabinet, as rival blocs continued bargaining for portfolios. During this time Siniora's Cabinet carried out the function of a caretaker Government. (Xuequan, 2009). The prolonged government formation process threatened to "drain Saad al-Hariri's and the majority's victory of significance" (Young, 2010: 241), while an important event took place on August 2, 2009. Walid Jumblat announced that he regretted his alliance with the United States and was returning to his political roots - Arabism, Palestine, and the left. He stated that he could no longer participate in the March 14 coalition, although he had been one of the key figures of its continued existence. However, Jumblat did not intend to join the opposition; he sought to maneuver between March 14 and March 8. Michael Young explains the significance of Jumblat's actions.

Not for the first time the Lebanese had to watch their political choices overturned by the realities of their fractured political system. In a single speech Walid Jumblat had cast doubt on whether March 14 remained a majority, overturned four years of defiance against Syria, and largely discarded the memory of the martyrs, all because his political and personal survival, like the defense of his Druze community, dictated a self-centered, bleak reading of what was likely to come next. He would patch things up, sort of, with Saad al-Hariri because he could not afford to incur Saudi wrath... but something was fundamentally broken in the post-2004 consensus that had sustained the emancipation movement, it was difficult to blame Jumblat, since that was the nature of the system... (Ibid.: 242-243).

Although Saad al-Hariri had presented President Suleiman with a Cabinet lineup as early as September, it had been rejected by the opposition. Al-Hariri had stepped down, however, had been re-designated to the Premiership a week later. His term as Prime Minister officially began on November 9, 2009, when he managed to form a Cabinet; Fouad Siniora announced to resign as caretaker Prime Minister concurrently. (Xuequan, 2009). In his acceptance speech, al-Hariri indicated his determination of taking a harder stance in dealing with the opposition, however, he also indicated being open to dialog. He stated,

The conditions they set in the first phase blocked the possibility of forming a national unity government... We now face a new challenge, and I do not want to make empty promises... The promise I make to myself, before God and before the Lebanese is to respect the constitution, work to ensure the widest participation possible in government and continue dialogue (Saad Hariri's Official Website).

Al-Hariri's Cabinet was formed on a 15-10-5 formula. This meant that in the thirty member Cabinet, fifteen seats belonged to the March 14 coalition, ten seats to the opposition and five to the President. Hezbollah held two seats – Minister of Agriculture and Minister for Administrative Reform. (Xuequan, 2009).

The Ministers also delayed the approval of the Cabinet's policy statement, which did not occur until December 3, followed by a vote of confidence in the Parliament a few days later. Although al-Hariri's Cabinet won a record number of confidence votes¹⁸, (Sakr, 2009b) there had been extensive debates over Article six of the Ministerial policy statement, which dealt with the right of the resistance to bear arms. March 14 coalition Christian parties had been largely opposed to the clause, which refers to Lebanon's right to "liberate its occupied territories by means of its army, resistance and people" (Sakr, 2009a). Amin Gemayel, the Head of the Phalange Party, stated "The article violates the principle of the state's monopoly over arms, the spread of its sovereignty over all its territories as well as its commitments to international resolutions along with enforcing the concept of illegitimate arms outside the state's authority" (Ibid.).

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¹⁸ Saad al-Hariri's Cabinet received 122 votes in favor, from the 124 Parliamentarians present at the session. (Sakr, 2009b).

The Ministerial policy had been passed with Article six, on which Saad al-Hariri maintained that the Government is committed to defending Lebanon's territory and waters. Al-Hariri's Cabinet further indicated its commitment to the Ta'if Accords and the unity of its Cabinet members. (Sakr, 2009b). Al-Hariri's first trip as Premier, however, had been to Damascus in December 2009. Saad al-Hariri described his talks with the Syrian President Bashar Assad as friendly, open and positive. Although not reconciliation in its full meaning, it did show that Walid Jumblat had been correct to a certain degree earlier in August. (Young, 2010: 243).

As for its economic and social policy, al-Hariri's Government had set out four major directions:

(i) enhancing the potential for economic growth through structural reforms that improve the material, institutional and legal infrastructure, (ii) maintaining the macroeconomic, financial and monetary stability necessary for growth, (iii) implementing Paris-III reform program and launching infrastructure programs and, (iv) designing a new social policy that would improve the quality and the coverage of social services. Among the objectives are increasing the capacity of the power sector by 600 MGW by end-2010; launching a national plan for public transportation; improving internet services and broadband services and; promoting private-public partnership in all sectors. (World Bank Group, 2010).

Saad al-Hariri had also continued in the legacy of his father in the reconstruction of Lebanon. Through the Irada Foundation for Development, a large number of projects aimed at revitalizing, reviving and developing all regions of Lebanon were launched. These also included the restoration and building of new schools, bridges, as well as cultural and health centers¹⁹. (*Saad Hariri's Official Website*).

Saad al-Hariri's Government was able to maintain the four-year tendency of economic growth in Lebanon throughout its time in office, although the rising political tensions towards the end of 2010 affected a relative slowdown in the real sector. However, the end of 2010 was marked with a seven to eight percent GDP growth, the second highest in the region after Qatar. A considerable increase of exports together with only a smaller growth in imports led to a decline in the growth of the trade deficit

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¹⁹ For a detailed account of the projects completed by the Irada Foundation for Development see: Irada Foundation for Development. *Aspiration for the Future*. 2009. *Saad Hariri's Official Website*. Web. 28 Apr. 2011. http://www.saadhariri.com/public/projects en.pdf>.

to 7.5 percent in 2010. The structural trade deficit was fully covered by financial inflows, resulting in a surplus of payments, while the public debt decreased slowly. At the end of 2010 it amounted to 52.6 billion USD, 134 percent of the GDP, down from 148 percent in 2009. Al-Hariri's time as Prime Minister was also marked by historically low levels of interest rates and a record high level of the Central Bank's foreign currency reserves. Although, Lebanon's ability to prosper during a global recession has increased investor confidence, inefficiency and corruption remain endemic in state institutions. (Bank Audi sal, 2011: 2).

5.2.1. Tensions and Instabilities

After a tripartite Arab summit in Beirut, rocket attacks on borders of Jordan, Israel and Egypt, an official statement by Hezbollah that the United Nations investigation of Rafiq al-Hariri's death was an "Israeli project" intended to indict members of Hezbollah, August 2010 was further marked by tensions at the Lebanese southern border along the United Nations Blue Line. Ironically, the border skirmish began over a tree, the foliage of which blocked Israeli security cameras on the Israeli-Lebanese border near Addaiseh. The Israelis decided to use a crane to remove it, however, as the Blue Line is such a disputed area, a problem arose. The Lebanese view the Israeli "technical fence" as positioned behind the border, however the border does not run along the Israeli fence either. Consequently, when the Israelis maneuvered over the fence to remove the tree, the Lebanese army opened fire into the air, while the Israelis responded by shooting at the Lebanese soldiers. As the skirmish continued, the Israeli soldiers fired a rocket a Lebanese armored vehicle, killing three soldiers and a journalist. The Lebanese army had orders from the Government to defend the border and fired back, killing an Israeli lieutenant colonel. Hezbollah was not involved in this incident, however, Hassan Nasrallah warned that Hezbollah would not hesitate to react was the Lebanese army to be attacked again - "The Israeli hand that targets the Lebanese army will be cut off" (Fisk, 2010). Saad al-Hariri denounced the confrontation as an "Israeli violation of Lebanese sovereignty", while an Israeli spokesman stated that "Israel views the Lebanese government as responsible for this serious incident and is warning of ramifications if the violations continue" (Ibid.). This brief and peculiar tree episode prompted expert groups to speak of an "exceptionally quiet and uniquely dangerous" border between Israel and Lebanon, while the International Crisis Group began warning that political roots of the July 2006 War remain unaddressed. (Ibid.).

In October 2010, Hezbollah welcomed the Iranian President Mahmoud Ahmadinejad on his visit to southern Lebanon. The controversial visit culminated in a rally near the Israeli border, during which Ahmadinejad told thousands of Hezbollah supporters that he is proud of their commitment to fight their mutual enemies – the United States and Israel. Amid heightened sectarian tensions, the visit exacerbated the fears of Lebanese Sunnis and Christians that Iran and Hezbollah were seeking to impose their will on the country and possibly cause another devastating war with Israel. The United States Secretary of State, Hilary Clinton, noted that "when the Iranian president goes to Lebanon, and we know that they are supporting financially and in every other way Hezbollah, which is on the border of Israel and the border of the Palestinian areas, then that is a volatile situation", while the Israeli side referred to the visit as a "landlord inspecting his domain" (Mail Foreign Service, 2010). The Israeli government spokesman, Mark Regev, further described the Israeli view on the event - "Iran's domination of Lebanon through its proxy Hezbollah has destroyed any chance for peace, has turned Lebanon into an Iranian satellite and made Lebanon a hub for regional terror and instability" (Ibid.).

Tensions in Lebanon continued to rise during the last months of 2010 as the indictments of the Special Tribunal for Lebanon were expected to be released. The issue began dominating the political arena in general, as well as the Cabinet in particular, as it were the names of Hezbollah members connected with the murder of Rafiq al-Hariri that were to be released. Hezbollah rejected any involvement in the assassination and further insisted the Government suspend its share of the funding for the Tribunal. Saad al-Hariri, on the other hand, remained largely committed to the investigation and the Tribunal, which to him is a way of finding the truth about his father's death. (Muir, 2010).

The situation was further complicated with the release of a documentary by the Canadian broadcaster CBC. Getting Away With Murder²⁰ included months-long

²⁰ The film *Getting Away With Murder*, as well as a detailed text account of CBC's independent investigation is available at .

investigations based on interviews with sources inside the Tribunal as well as documents leaked from it. The evidence presented overwhelmingly pointed towards Rafiq al-Hariri's assassins being from within Hezbollah. The documentary provided detailed diagrams of interlinking networks of mobile phones, which the investigators believed "led from the vicinity of the massive explosion which killed Rafiq al-Hariri and 22 others, ultimately to Hezbollah's communications centre under a hospital in Beirut's southern suburbs" (Ibid.). The documentary also produced an allegation that Col Wissam al-Hassan, Rafiq al-Hariri's head of protocol, and in 2010 the commander of the intelligence section of the Lebanese policy, was under suspicion (Ibid.).

Shortly after the CBC documentary was aired, Sherbel Nahhas, the Lebanese communications minister and a Christian allied to Hezbollah, gave a three-hour news conference. As the documentary's evidence relied heavily on the detailed analysis of mobile phone calls, and over the year 2010 a number of Lebanese telecommunications employees were arrested on charges of working for Israeli intelligence, Nahhas together with other officials and experts stated that Israel had penetrated Lebanese telephone lines. They showed technical evidence that indicated Israel's complete penetration of Lebanese communications. (Ibid.).

Overall, the CBC documentary produced an overwhelming effect in Lebanon, not only dominating news bulletins and front pages but also prompting comments from key political figures. Saad al-Hariri said he had always had full confidence in Col Hassan, while one of the Prime Minister's senior aides suggested that both Hezbollah and Col Hassan should sue CBC for libel. The Tribunal's prosecutor, judge Daniel Bellemare, took an unusual step of commenting on the documentary, stating that he was "extremely disappointed" by it, further assessing its impact on the investigation. In an interview with the BBC, Walid Jumblat went further as to explain the importance of the turbulence caused by the film:

Nobody knows what is going to happen, but the Shia in general, and Hezbollah in particular, can't risk being accused, and it is bound to cause tension with the Sunnis... More important than finding out who killed Hariri, the most important thing now is to get out of this vicious circle which brings more tension every day, how to break this crisis between Sunnis and Shia. (Ibid.).

Tensions mounting around the Special Tribunal for Lebanon culminated in January 2011. According to Hezbollah, Saad al-Hariri rejected its demands for an urgent cabinet session to discuss the discontinuation of Lebanon's funding of the Tribunal and denouncing its any and all indictments. Consequently, ten ministers allied to Hezbollah and one of the President's appointees announced their resignation, with the intent of forcing al-Hariri's Government to collapse. (BBC News, 2011).

The main issue of the political crisis was the anticipated indictment of the Hezbollah members for involvement in Rafiq al-Hariri's murder; Hezbollah, however, has threatened to "cut the hand" of anyone who attempts to arrest its members in relation to the case. Moreover, the timing of the resignation carried a message. As the Ministers resigned in Beirut, Saad al-Hariri was in Washington DC, preparing for his meeting with President Barack Obama. "The departing ministers portrayed themselves as seeking a Lebanese solution to Lebanese problems". (Bennett Jones: 2011).

Saad al-Hariri's Cabinet collapsed on January 12, 2010, it is however important to mention that the possibility of such a situation occurring has its roots in the political deadlock of 2006-2008 and the resulting Doha Agreement. President Suleiman had asked al-Hariri to continue in a caretaker capacity until a new government could be formed. On January 25, 2011, Najib Mikati, backed by Hezbollah and its allies, was appointed Prime Minister-designate. Although Mikati proclaimed himself to be a moderate and a neutral, speaking of unity and consensus, he is indeed backed by Hezbollah, prompting many of the supporters of the March 14 coalition to stage protests throughout Beirut the same day of Mikati's appointment. Saad al-Hariri refused to participate in any Hezbollah-led or backed cabinet. This situation once again left Lebanon in a state of instability and political deadlock. (BBC News, 2011).

6. Factors of Success and Failure of Governments in Lebanon

After presenting a theoretical framework of the various approaches to and definitions of good governance, followed by an account of the specifics of the historical events as well as the political climate and culture distinguishing Lebanon, this thesis turns to composing a set of factors of good governance important to governments in Lebanon. Basing its assumptions on the theoretic framework and empirical data presented, the resulting set incorporates the key elements of the presented definitions and the political particulars of Lebanon. The constructed set consists of twenty-six factors that can be broken down into two thematic parts – political and economic factors, as well as a general factor of impartiality. ²¹

6.1. Political Factors

Taking the Ta'if Accord as a basis, one can draw the initial, and crucial factors for the success of governance in Lebanon. The Ta'if Accord stipulates that Lebanon is a democratic, unified state, drawing its power from the people of Lebanon (National Reconciliation Charter: 1.a., c., d.). Factors of **rule of law**, **participation**, **democracy and democratic institutions**, as provided by the definitions of the United Nations and the Swedish International Development Cooperation Agency thus become important.

The factor of whether governments are **consensus oriented**, provided in the United Nations' definition, can in Lebanon's case be interpreted as the Prime Minister's **ability to form a Government of national unity**, as well as gain the needed **confidence in the Cabinet** from the Parliament, undermining the need or existence of a **rival government**. These have often been general problems faced by the consecutive Lebanese Prime Ministers and their respective Cabinets. The formation of Fouad Siniora's second Cabinet in 2008 was, for example, facing disagreements, as well as Saad al-Hariri's Cabinet in 2009. Omar Karami can also be used as an example in this case, when he failed to form a Cabinet in 2005.

The government's ability of **gaining state authority**, considered in the definition by the United Kingdom's Department for International Development, can be

²¹ For the full set of Factors of Good Governance in Lebanon in list form, see Appendix 5.

Echanese territory through its own forces, given the situation in southern Lebanon and the special status gained by Hezbollah. These factors are intended at enhancing the governments' legitimacy and in Lebanon, as other post-conflict states, it is directly linked with ending violence and the existence of militant groups. Lebanese governments have been largely unable to exercise their power over the entire territory. The presence of the Israeli army in Lebanon until its withdrawal on March 5, 2000, has justified the emergence and continued increasing influence of Hezbollah as a power. Although it is considered that it was during the Government of Salim el-Hoss, in 2000, that Lebanon became a fully integrated territory, this was only in principle, as the subsequent cabinets governed in Beirut, lacking authority in the south, the north, or in the Beka'a Valley. Furthermore, the presence of Syrian forces until April 26, 2005, further makes such an assumption questionable.

The governments' inabilities to provide services outside the capital have created ungoverned areas, permitting organizations such as Hezbollah to fill the void, and gain the support of the population. These considerations add the **ability to serve the citizens**, **sound public administration**, and the **respect of citizens and the state for institutions** to the list of factors. Most governments have been largely unable or unwilling to focus on southern Lebanon. This was visible in the decisions and actions of the cabinets. Omar Karami's Government formed in 1990, largely ignored socioeconomic aspects, while his Premiership in the years 2004-2005 focused on coordination with Syria and produced inconsistent policies; Rashid al-Sulh's Cabinet of 1992 concentrated only on upcoming elections; Rafiq al-Hariri focused on rebuilding Beirut, ignoring the South; Salim el-Hoss' Cabinet was largely indecisive, producing only half-hearted measures with no real implementation; Fouad Siniora's Cabinet, although successful in gaining foreign funds, concentrated them in Beirut, while reconstruction of the South after the July 2006 war was slow, accounting for the Government's mere existence next to the active Hezbollah.

Transparency of the governments' decisions is also a crucial factor, as oftentimes in Lebanon the influence of external actors has played a large role in the passing and implementation of policies, as well as in the **process of government selection and replacement**. Although Najib Mikati's interim Cabinet in 2005 made

considerable efforts that added to the transparency process in Lebanon, the previous chapters have demonstrated that the Syrian influence could repeatedly be seen in the elections, naming of the President as well as in the extension of Emile Lahoud's term, and in the appointment of Cabinet members. It is also directly linked with the respective government's **capacity to formulate and implement policies**, as indicated in the definition provided by the World Bank. This has been an extensive problem for practically all post-conflict Lebanese governments, but especially in the governments of Omar Karami, Rashid al-Sulh, Salim el-Hoss, and Fouad Siniora, which either showed only lackadaisical attempts at policy implementation, had inconsistent policies, or simply could not reach a consensus with regards to the agenda.

The definition provided by the Swedish International Development Cooperation Agency also stresses the importance of the **predictability** of the government's actions, while the United Nations emphasize **effectiveness and efficiency** in this regard. In Lebanon, these factors must be viewed in the light of numerous **crisis situations** that occurred in the post-civil war periods. Oftentimes, the governments simply faced the consequences of the situations, which they could not foresee or prevent. This was, for example, the case during the confrontations between Israel and Hezbollah in 1993 and 1996, when Rafiq al-Hariri's Government mainly faced the consequences of the destruction and dislocations of the population. This is also true for the Cabinet of Omar Karami in 2004-2005, when the Government had been unable to enforce its bans on the recurring protests. Although, the individual governments eventually made efforts to solve the situations in one way or another, the underlying issues were always left unresolved. This can be seen, for example, in relation to current Lebanese-Israeli tense relations, tensions between the sectarian communities, or the ongoing endemic corruption of the state institutions.

6.2. Economic Factors

The Civil War left Lebanon's economy and infrastructure in a devastated condition. Consequently, the issue of successful and efficient **post-war reconstruction** had become central to many governments. Rafiq al-Hariri initiated the process in full with his economic policies, initiatives and personal funds. Subsequent Cabinets

followed in his tracks. Although **securing foreign aid** is an important economic factor in post-war Lebanon, which a number of governments have been successful at, as demonstrated by the Paris I, II, and III conferences, the factor of **managing public funds**, as explained in the definition by the International Monetary Fund, is a critical aspect for the economic success and development of the country, and consequently the success of the respective governments.

Stability of the exchange rate, GDP growth, and increase of income of the population have also shown to be crucial factors indicated governmental success. Largely ignored by the first post-Civil War governments, these factors gained importance during Rafiq al-Hariri's Premiership, and have shown positive growth during Fouad Siniora's and Saad al-Hariri's Cabinets. However, economic recession occurred during Salim el-Hoss' Cabinet in 1998-2000, while stagnation occurred in the Governments of Omar Karami in 2004-2005.

The **reduction of public dept**, which is incredibly high in Lebanon, as well as **increase of revenue** are further important aspects. Various governments in Lebanon have dealt with these issues in a variety of ways, some Cabinets emphasizing them more than others. However, these factors have played large roles in general dissatisfactions with the work of the Cabinets that chose to ignore them.

The definition of governance provided by the International Monetary Fund indicates **corruption** as an important factor for governmental success. Indeed, this has always been a topical issue for Lebanon, in which corruption runs high according to many international indicators presented in the previous chapters. Rafiq al-Hariri's Cabinets have, for example, been often criticized for their high levels of corruption, while Salim el-Hoss' 1998-2000 Cabinet had set the fight against corruption as one of its main goals at the beginning their appointment. They largely failed, as they began targeting the Ministers of the previous Cabinet and stopped in their efforts once the fight brought them to corrupt individuals associated with their political allies. The prosecutions ended with el-Hoss' conclusion that until the situation allows all the corrupt to be prosecuted, none shall be prosecuted, thereby threatening accountability. The situation seems to have remained stagnant from that point, as the latest Government of Saad al-Hariri faced the endemic situation of corruption and resulting inefficiency in state institutions.

6.3. Principle of Government Impartiality

Some authors see **impartiality** as a contested concept, viewing it either as ineffective in the operation of the state or as an ideal that is impossible to achieve. "The ideal of the impartial civil servants has been accused of being insensitive to the complexities and the special needs of different cases" (Rothstein, Teorell, 2008: 173). The public choice theory criticizes the principle of impartiality as it sees civil servants mainly driven by self-interest rather than ethics of a public interest. Political philosophy, multiculturalist and feminist approaches view it as an impossible concept as well, since they claim that civil servants are influenced by their particularistic characters, always basing their actions on ideology, sex/gender, or cultural and ethnic belongings. Rothstein and Teorell, however, show that civil servants are able to distinguish between self-interest and a greater interest, and do not at all times strive for the prior. Their work implies that government power should be exercised according to the moral principle of impartiality, guided by the public interest rather than the personal one. "What QoG demands is that people employed to exercise government powers recognize that there are clear boundaries between this sphere and other societal spheres and that these boundaries put severe restrictions on what types of behavior can be accepted." (Ibid.: 177).

In societies dominated by patronage and neo-patrimonial structures with strong notions of sectarian belonging, as is Lebanon, the development of such ethics and norms is a long and complicated process. According to Dele Olowu, in patronclient systems,

The public sector becomes an instrument for building public support for factions that are competing for power... The public sector is therefore dysfunctional in serving the public, but critical to the survival and sustenance of those who wield executive power ... as a result... the public service lack even the basic meritocratic features of efficiency, productivity, and other universalistic values (Rothstein, Teorell, 2008: 183).

The manifestations of Lebanon's well developed, enduring client-patron system are present is most governments. In fact, its whole political system largely depends on it. As such, it is possible to argue that the principle of impartiality simply cannot be applied to Lebanon. Indeed, the post-Civil War period witnessed the various "friendly"

appointments to governmental positions. This was especially topical during Emile Lahoud' presidency, for example, when his son-in-law was appointed as Minister of Interior in El-Hoss' 1998-2000 Cabinet. The only real example of government decisions not affected by the client-patron system in Lebanon was during Rafiq al-Hariri's 2000-2004 Government, exemplified by the cut in civil servants and employees at state companies. As these were positions often distributed along sectarian affiliations, such a cut could serve as a blow to the delicate situation in Lebanon.

Nevertheless, the factor of impartiality in the exercise of government power is an important factor, principally responsible for a good quality of governance, and serves as a unifying principle for economic and political factors. In fact, it overlaps and complements other crucial factors of good governance. Democracy and impartiality overlap on the conceptual level in two aspects. Firstly, it is the respect of political rights, such as the freedom of association and expression, required for the political system to function. Democracy entails impartial government institutions, with regard to the regulation of access to political power. Secondly, the two factors overlap in the idea of free and fair elections. Both maintain that impartial government institutions must administer elections. (Ibid.: 180). As was demonstrated by the previous chapters, elections in Lebanon were not always carried out in this manner yet have lately set free and fair elections as a goal lately; furthermore, such elections are stipulated in the Ta'if and the Constitution. For example, Rashid al-Sulh's Cabinet organized rather controversial elections, with a rather divisive new electoral law, imperfect electoral lists and no media coverage. This can be compared to the largely successful elections held by Najib Mikati's Government, or what were referred to as the "first free elections" in Lebanon during Fouad Siniora's Cabinet.

In Lebanon, like in other, developing and post-conflict countries, establishing the rule of law is placed high on the agenda. The rule of law refers to "a set of stable political rules and rights applied impartially to all citizens" (Ibid.: 181). Impartiality, thus, implies the rule of law. In relation to the factor of efficiency and effectiveness, the concept of impartiality implies its enhancement. This is exemplified in meritocratic recruitment of civil servants. Impartiality entails employment based on merit and competence, as opposed to political or other connections. (Ibid. 182).

The principle of impartiality in the exercise of government power presents itself as a central, encompassing factor. Although hardly visible in much of Lebanon's political life today, it is crucial to the country's stable development. Impartiality is a factor that would enable the governments to efficiently and fairly serve all the communities of Lebanon's sectarian patchwork society, thus leading to the stabilization.

Conclusion

The end of the fifteen-year long Civil War marked a new period in Lebanese history. The framework for reconciliation provided in the Ta'if Accord was intended to act as a compromise between the warring factions, resolve power imbalances and initiate the process of rebuilding a stable political system. It did, however, leave certain issues unresolved, such as the reinstatement of full control and authority over Lebanese territory through the means of its own forces, or the political structure that remained fundamentally unchanged. Lebanon continues to this day to operate in a system of political confessionalism. Initially intended as a temporary measure implemented in 1943, it remains deeply rooted in the political system in a more reproduced and institutionalized way. Sectarianism plays a further central role in Lebanese politics, often favored and promoted by the political elites themselves. Society is still divided along these lines, while each member of the power troika – the President, Prime Minister, and Speaker of Parliament – is considered the top state representative of his respective sectarian community. Furthermore, Lebanon was left devastated in terms of its economy and infrastructure after the Civil War. It had to seek foreign funds for reconstruction, consequently increasing its foreign debt. Social inequality, poverty, and sectarian tensions plagued post-conflict Lebanon, while the confrontations and complicated relationships with its neighbors further destabilized the situation in the country.

It is with these issues in mind that this thesis set out to analyze the consecutive Lebanese post-conflict governments. Beginning with the Ta'if Accord of 1989, each cabinet was presented, discussed and analyzed through the prism of historical events. Policy decisions and the successes or failures of their implementation, cabinet formation and achieving consensus, economic factors and reconstruction efforts, questions of control over Lebanese territory and confrontations with neighboring states, as well as issues of opposition and political stalemates were scrutinized in all the governments in questions. The thesis maintained a hypothesis that the inability of the majority of post-conflict Lebanese Cabinets to provide the country with good governance has caused a continued situation of instability; indicating factors of good governance specific to Lebanon would thus enable governments to address a set of key issues crucial to

avoiding political deadlocks and stabilizing the country's situation.

The thesis further investigated the various available approaches to and definitions of good governance to provide such a set of factors. Although the concept of governance is relatively old, the field studying good governance is still rather new, lacking a unifying theoretical framework. The thesis thus attempted to present the key views and definitions, drawing from them the most relevant factors pertaining to Lebanon. Combining these factors with the specific regional features of Lebanon's political climate, the thesis was able to construct a set of factors of good governance directly relevant to Lebanese governments. The analysis produced a set of twenty-six key factors that are crucial to the success or failure of each cabinet, indicating the major aspects of Lebanese governance. The set is broken down into two thematic parts political and economic factors. A separate, yet encompassing factor of impartiality in the exercise of government power was shown to the most important, as it complements and overlaps with other central factors, such as democracy, the rule of law and efficiency and effectiveness. The constructed set of factors thus provides insight into the possible dynamics behind the failures of the previous Lebanese post-conflict governments, indicating implications for the future cabinets.

At the time of writing this thesis, the situation in Lebanon remained unstable. The Government of Saad al-Hariri, which is the last that the given thesis considers, collapsed in January 2011, leaving the country with a caretaker government and slim prospects for the formation of a government of national unity in the near future, as the political deadlock in the country continues, making the recurrence of the 2008 stalemate scenario a grave possibility. As the situation develops further, it would be interesting to investigate the policy decisions of the governments that follow and where the unpredictable nature of Middle East politics leads with regards to Lebanon.

Nevertheless, in whichever direction the fields studying good governance and Lebanese politics may develop in the future, the historic implications will remain crucial for Lebanon. It is this context that has shaped the political scene today, and without giving them due consideration, research would be incomplete. Every action and development is done with certain intention, and is carefully prepared beforehand. Removing a development would certainly change the given situation. For example, were the Israeli invasion never to happen, Hezbollah might have never developed into

such an influential political force, enabling higher control of southern Lebanon by the governments and perhaps even avoiding cabinet deadlocks; were Syria not to have influenced the extension of President Lahoud's mandate, Rafiq al-Hariri could have remained as Premier, and his assassination might have never happened, essentially altering the events that followed. Consequently, the policy decisions of each respective government could have been different. This, however, is not mentioned to justify certain setbacks of the respective governments. As this thesis maintains, and hopes to have shown throughout its chapters, it is the responsibility of the governments to produce adequate, timely and efficient responses to various situations. The reverse results in the instability of the country. Although this thesis in no way wishes to undermine the efforts and successes of Lebanese governments, the statement holds true for most, if not all the governments discussed.

Lebanon has come a long way since the end of the Civil War. Politically, the governments have developed for the better, stepping away from the authoritarian, security regime features, to the more liberal and democratic approach to political processes. This can be witnessed in steps taken to positively fulfill some of the key factors for good governance. Signs of rule of law, participation and democracy are becoming more apparent, for example through the governments' effort to hold fair and free elections. Lebanon now maintains a larger authority over its territory through its own forces. Once a government of national unity is formed, the Cabinet is able to receive a high vote of confidence from the Parliament and maintains it, while further efforts have been made to increase the transparency of the political system. After the Independence Intifada the public is much more involved in the government formation process, voicing its opinion in various forms. Recent governments have also been able to secure foreign aid and rebuild much of Lebanon, while the exchange rate has stabilized and the debt albeit slowly, but decreasing.

Lebanese governments still largely lack in accomplishing the factors of predictability, effectiveness and efficiency, as well as dealing with crisis situations and the endemic issue of corruption. The most crucial factor of good governance indicated by this thesis - impartiality in the exercise of government power – is indeed central, and will be up to the newly formed governments to achieve in the future in order to lead Lebanon to stability.

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Appendices

Appendix 1.List of Presidents, Prime Ministers and Speakers of Parliament of Lebanon in the post-Civil War period.

President	Prime Minister	Speaker of Parliament
	Michel Aoun and Salim el-Hoss (rival governments)	
René Moawad (5 – 22 Nov. 1989)	Omar Karami (24 Dec. 1990 – 13 May 1992)	Hussein el-Husseini
Elias Hraoui (24 Nov. 1989 – 24 Nov.	Rashid al-Sulh	(16 Oct. 1984 – 20 Oct. 1992)
1998)	(13 May, 1992 – 31. Oct. 1992) Rafiq al-Hariri	
	(31 Oct. 1992 – 2 Dec. 1998) Salim El-Hoss (2 Dec. 1998 – 23 Oct.	
	2000) Rafiq al-Hariri (23 Oct. 2000 – 21 Oct. 2004) Omar Karami	Nabih Berri
Emile Lahoud (24 Nov. 1998 – 23 Nov. 2007)	(21 Oct. 2004 – 28 Feb. 2005; 10 Mar15 Apr. 2005)	(20 Oct. 1992-Incumbent)
	Najib Mikati (15 Apr. 2005 – 30 Jun. 2005) Fouad Siniora	_
Michel Suleiman	(30 Jun. 2005 – 9 Nov. 2009)	
(25 May 2008 – Incumbent)	Saad al-Hariri (9 Nov. 2009 – 16 Jan. 2011)	

*Appendix 2.*Sectoral distribution of actual and projected public expenditures, contracts awarded and contracts in preparation as of January 1998 of Horizon 2000 program

Source: (Wetter, 1999: 7)

	Horizon 2000		Contracts Awarded, Jan. 1,1992-Dec. 31,1997		Additional Contracts in	
	1993-94	1995-97	Completed	In progress	Total	Preparation
Physical infrastructure	626.5	3,173.2	601.9	2,204.2	2,806.0	345.6
Electricity	255.2	1,205.3	372.3	908.8	1,281.0	74.5
Telecommunications	201.9	495.2	138.0	484.4	622.4	52.8
Roads	113.4	930.6	81.3	294.9	376.2	216.5
Airport and ports	56.1	542.2	10.3	516.1	526.4	1.8
Social infrastructure	217.6	1,710.0	104.4	447.8	553.2	163.7
Education	80.0	871.7	96.7	326.3	422.9	69.5
Public health and social affairs	3.5	275.2	4.9	115.3	121.3	92.7
Housing and resettlement	134.0	532.7	2.5	1.7	4.2	0.0
Environment	0.2	30.4	0.3	4.5	4.8	1.5
Public services	113.6	864.6	102.7	512.7	615.4	692.8
Water supply and wastewater	96.7	665.8	55.9	341.7	397.6	593.2
Solid waste	15.1	124.6	46.B	171.0	217.8	99.6
Productive sectors	51.2	316.1	14.9	27.4	42.2	45.1
Agriculture and irrigation	50.1	163.3	14.1	25.1	39.1	34.1
Industry, oil, and gas	1.0	152.7	0.8	2.3	3.1	11.0
State apparatus	46.2	220.6	108.4	101.7	210.3	176.6
Government buildings Management and	41.1	171.9	18.8	62.9	8.18	82.5
implementation	5.2	48.7	89.6	38.8	128.5	94.1
Total	1,055.1	6.284.5	932.3	3.293.8	4.227.1	1.423.8

Source: CDR, "Progress Report, Update January 1998" (Beirut: Council for Development and Reconstruction). Including public transport.

Appendix 3.

"Documented" foreign funding for the Horizon 2000 program, as of December 31, 1997.

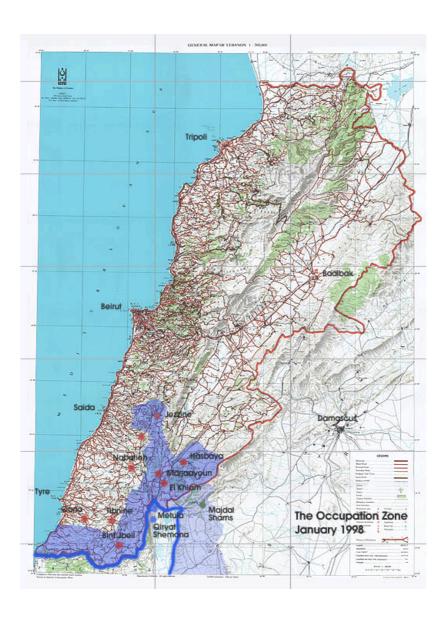
Source: (Wetter, 1999: 9)

	In Millions of U.S. Dollars	In Percent
World Bank	598.3	14.9
Arab Fund for Economic and Social Development	503.6	12.6
European Investment Bank	499.8	12.5
Italy	340.1	8.5
France	272.9	6.8
Saudi Fund for Development	230.0	5.7
Kuwait Fund for Arab Economic Development	229.1	5.7
Islamic Development Bank	176.6	4.4
Commission of the European Union	170.3	4.3
Saudi Arabia	160.1	4.0
Japan	111.2	2.8
Spain	105.0	2.6
Germany	77.3	1.9
Kuwait	44.3	1.1
United Nations Secretariat and Agencies	43.0	1.1
Mediterranean Environmental Technical Assistance Program	34.2	0.9
International Fund for Agricultural Development	30.8	0.8
Abu Dhabi Fund for Development	25.0	0.6
OPEC Fund for International Development	24.2	0.6
Oman	15.0	0.4
China	6.0	0.1
United Arab Emirates	5.0	0.1
Conseil Regional d'Ile de France	1.7	0.0
Belgium	1.4	0.0
Qatar	1.0	0.0
Various Commercial Banks	297.8	7.4
Total	4,003.7	100.0

Appendix 4.

Israeli occupied "Security Zone" in southern Lebanon.

Source: *Al Mashriq - The Levant*. Web. http://almashriq.hiof.no/lebanon/300/350/355/occupation/maps/occupation-zone.html.



Appendix 5.

Factors of Good Governance in Lebanon

Political Factors

Rule of law / participation / democracy and democratic institutions Consensus oriented

Ability to form a Government of national unity

Confidence in the Cabinet

(Non)Existence of a rival government

Gaining state authority

Reinstating authority over the entire territory through its own forces

Ability to serve the citizens

Sound public administration

Respect of citizens and the state for institutions

Transparency

Process of government selection and replacement

Capacity to formulate and implement policies

Predictability

Effectiveness and efficiency

Dealing with crisis situations

Economic Factors

Post-war reconstruction

Securing foreign aid

Managing public funds

Stability of the exchange rate

GDP growth

Increase in income

Reduction of public dept

Increase of revenue

Corruption

Impartiality in the exercise of government power