Rearranging Deckchairs on the Titanic?
Consensus, Corruption and Crisis: Lebanon After the Ta'if Agreement[1]

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Introduction

This essay will ask if there is a causal link between the nature of a peace agreement and the incidence of corruption. It examines the case of post-war Lebanon and looks at the decade following the settlement of Lebanon's bitter civil war (1975-1989). The essay treats corruption as the dependent variable and shows how the rise of blurred, uncodified institutions and the weakening of the state's control agencies can be traced back to the nature of the peace agreement. It argues that the particular logic of "consensus" that marked the Ta'if Accord resulted in an increase of corruption.

I am interested in analyzing the "corruption buys peace" argument that has been developed by Philip Le Billon. In an article dealing with the role of corruption in armed conflicts, he puts forward that corruption may facilitate the creation of a political order in which rulers can co-opt opposition groups, thereby providing a measure of political stability and avoiding conflict (Le Billon 2003: 413-426). Corruption is deemed preferable to violence and may even prevent it. In this view, corruption is seen as the price to pay for ending violence and obtaining stability. In order to make the peace agreement acceptable to all, there is often no genuine concert on how to address past and current conflicts and divides: Instead, the agreement cements the division of the spoils. As a result, "participation in a public post is viewed as a strategic position from which to distribute and allocate state resources and privilege to political constituencies and loyal political allies. At the same time, such highly inclusive but sharply divided government coalitions often lack a national ethos and the apportionment of public resources and positions inflates the state apparatus while making it inefficient and corrupt".

While Le Billon mentions several African examples, the aim of the present paper is to examine whether such reasoning applies to Lebanon. First, I will ask if the increase in corruption as the dependent variable can be causally attributed to the nature of the settlement. Second, it seems interesting to me to make an attempt to link the practitioners' ideas with some of the conceptual literature on peace building and see whether it helps to understand why it is so unlikely that "Lebanon will get an entry in a manual of desirable strategies for post-war recovery" (Leenders 2003: 304).

1. Concepts and Definitions

Before moving on, I will briefly clarify two conceptual issues: the use of the term "post-war Lebanon" and the concept of corruption. I will prefer to use the term "post-war situation" rather than "post-conflict situation". As other authors have pointed out, the two are not synonymous and the underlying conflict, which triggered the violence, may well continue after the war ended (Licklider 1995: 682),. For the present purpose and the analysis of the consequences of a peace agreement, such a distinction seems useful and it would certainly be naïve to call Lebanon

"post-conflict" after the signing of the agreement. Conceptual clarity is more difficult to achieve with regard to the term corruption. As Robert Williams points out, the study of corruption has been handicapped by the inadequacies of existing definitions (Williams 1999: 511). Since corruption is not a discrete, hermetically scaled phenomenon, each definition attempt has its own problems. Transparency International has chosen a clear but not too narrow definition of the term: "Corruption is operationally defined as the misuse of entrusted power for private gain" (Transparency International's website). This definition seems to be sufficient for the present purpose. However, I wish to add the suggestion to employ an approach stemming from the principal-agent theory. This means that "we are concerned to maximize our self-interest and that, if government officials are presented with opportunities to engage in corrupt activity, they will do so unless they are closely supervised and controlled" (Williams 1995: 508). Such a conceptualization has the advantage to shift the focus to the conduct of individuals within an institutional setting, which is, after all, what I am concerned with[2]. Studying corruption is difficult; however, analyzing it in a post-war settlement comes with even greater conceptual problems: Williams contends that "in countries beset by civil war, insurrection and terrorism, there may be a number of competing claims for political legitimacy and this lack of agreement will similarly extend to what constitutes corruption" (Williams 1995: 510), something which certainly applies to post-war Lebanon[3]. For Williams, "when government disintegrates or otherwise succumbs to challenges to its authority, attempts to define corruption have as much relevance as rearranging the deckchairs on the Titanic" (Williams 1995: 510). This statement exemplifies why a somewhat lengthy section on the methodology and structure of the paper is needed.

2. Corruption and Conflict: methods and structure

Corruption and conflict have increasingly been studied together. There are convincing reasons to believe that corruption is positively correlated with political instability (Fredriksson/Svensson 2003: 1383). It has been argued that corruption can be one of the causes leading to war (Reno 1995) and that it can be one of the factors for the prolongation of violence (Ballentine/Nitzschke 2005). The current analysis however is interested in war termination and the period following a peace agreement. Le Billon writes that the relation between corruption and the termination of war is probably the most complex and tenuous. "It seems safe to argue that the shift from a political economy of war to one of peace is in itself a propitious moment for corruption as new economic activities emerge in a context of blurred regulations and persisting violence" (Le Billon 2001: 14). I will argue that post-war corruption is qualitatively different from corruption viewed through a "development lens" (Large 2005: 38) because, as I hope to show, its reason (at least in the Lebanese case) stem from a deeper, political layer. This finding implies that "mere" administrative reform and applying orthodox economic prescriptions will fall short of curbing the problem. This paper explains the increase in corruption through the tendency of a peace agreement to be highly (or "excessively") inclusive. According to Philippe Le Billon, corruption forms part of the social fabric of social and political relationships and can facilitate a transition to peace (Le Billon 2003: 414). Because of its endogenous nature to many political structures, it serves key hierarchical functions, thereby contributing to political order (Huntington 1969). In other words, corruption is able to satisfy the greed and reduce the grievances of politically restive groups by extending clientelist circles.

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[2] However, as all other attempts of conceptualization, this comes at the price of other inconvenients: Possible problems with such a definition are for instance that it takes a strict rational actor framework or that it takes as given the constraints on the use of public office, etc. (See Williams 1995: 508).

[3] The discussion of corruption has never been a taboo in Lebanon and frequently, it takes place in the form of mutual, not always well-founded accusations. For these reasons it seems useful nor to employ a legal definition of corruption, nor a purely economic one, nor simply relying on a public opinion approach (corruption is what civil society and the media of a country think it is).

But how do we examine if this logic applies to post-war Lebanon? Designing a quantitative research is not an option since the degree of variations in corruption and possible explanatory factors is very high and data that would allow for intertemporal comparison is largely unavailable for the Lebanese case[4]. For these reasons, I limit the analysis to the postwar period and illustrate my argument by looking at a) the rise of uncodified institutions and b) the strength of anti-corruption bodies. The prewar situation will only briefly be presented in section three. My temporal window is the decade following the conclusion of the peace agreement (thus from 1989 up to the Parliamentary Elections in 2000). I will therefore test the incidence of corruption within a fairly long timeframe. This choice has the advantage that I can include a wider range of data and literature even if it comes at the cost of complicating the exercise of excluding alternative explanations for the level of corruption the farther we move on the time scale.

Opponents of this methodological strategy might object that the focus on corruption is too narrow and that Lebanon's post war problems should be attributed to a wider range of factors. It is certainly true that not all problems related to peace building can be ascribed to the problem of corruption. Possible alternative explanations will be discussed in Section six.

Further, the ambition of this paper is to interrogate whether a causal link between a peace agreement and corruption is consistent with other literature on peace building that does not directly address corruption. Section seven concludes that the question can be viewed as complementary to some of the research on the consequences of negotiated settlements. I will conclude that policy makers face a difficult dilemma and that the possibility of manipulating the relationship is not easily found. However, I will argue that limiting the application of consensus to the broad macro structure of a political system might be less prone to lead to corruption than pursuing the logic of consensus down to the inner life of institutions as it has been done in Lebanon.

Case selection

The Lebanese case seems particularly relevant for the discussion of the research question. I admit that I am somewhat biased in my case selection as I got familiarized with the issues of corruption during personal experiences in the "*pays des Cèdres*". Even if the Lebanese case might not be the easiest one for a case study given that its history is extremely complicated and impossible to understand without studying various regional and international dynamics, it is a very suitable example to understand the problems associated with power-sharing after a civil war. The next section contains a very brief account on the historical aspects and provides the background for our study. The peace agreement under scrutiny, the Ta'if Accord, was concluded in fall 1989 and was designed to end the Lebanese civil war. It transferred power away from the Presidency and vested it in a cabinet equally divided between the Muslims and Christians. It includes a Syrian-Lebanese security agreement to bring about the withdrawal of Israeli forces from Lebanese territory and calls for the disarmament and disbandment of all Lebanese and non-Lebanese militia[5].

3. The civil war and confessionalism

In 1920, France formed the State of Greater Lebanon which was governed under the French Mandate for Syria. From the very beginning, the new state was characterized by a deep division over its identity and legitimacy, and its seventeen[6] officially recognized sectarian groups disagreed on the nature of their state and the role religious authorities should play. Since the creation of the state, confessionalism was paramount. The new constitution established a first

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[4] Existing indices do not reach back until the Lebanese pre-war period and suffer as well as a qualitative approach from various problems.

[5] Ta'if is the name of the city in Saudi Arabia where the negotiations took place. The integral text in English is available from United Nations Peace Maker Database, "The Taif Accords".

[6] Today, eighteen are recognized.

"juridical legitimization" of the confessional system and stipulated in Article 95 that "as a provisional measure and for the sake of justice and concord, the sects shall be represented justly in public posts and in the formation of the cabinet without harming the interest of the state." In 1943, Lebanon gained independence. In the same year an unwritten "gentleman's agreement", the "National Pact" was concluded between Bechara Al Khoury (a Maronite and first president after independence) and Riad As-Solh (a Sunni and first prime minister after independence). It was agreed that the Maronites would not seek foreign intervention and accept Lebanon's "Arab face" while the Muslims promised to abandon the idea of uniting with Syria. The 1932 census[7] and the internal balance of power lead to the decision that the President of the Republic would always be a Maronite and the President of the Council of Ministers a Sunni. Further, parliament members would be in a ratio of 6:5 in favor of Christians to Muslims[8]. Later on, it was also introduced that the President of the National Assembly would be a Shiite and the deputy speaker of the parliament a Greek Orthodox. Confessionalism has therefore played a crucial role since the foundation of the Lebanese state. The main political actors have always been the elites of the different confessional communities and stability entirely depended on the good understanding among the respective elites. Political cohesion between the Lebanese communities was assured by a clientelist system with vertical loyalties to the *za'im* (leader) of a community (Flores 1991: 279). This system proved fragile at numerous points in history even before the outbreak of the civil war in 1975. The discussion of the role of confessionalism and other, internal and external, causes of the conflict is part of an immense literature but a majority of scholars agree that it played a predominant role. The Lebanese civil war (1975-1989) devastated the country and resulted in massive loss of human life and property. By 1990 over 100'000 people were killed and over a million Lebanese had been uprooted from their homes. The war ended a year after the signing of the Ta'if Accord which devised a formula for internal reform. The Accord has certainly helped to end the war, but the post-Ta'if period made clear that conflict between the different Lebanese confessional communities is ongoing.

4. The Ta'if agreement: vague and based on the logic of "consensus"[9]

In order to review the nature of the peace agreement, I am interested in the degree of inclusiveness of the accord with regard to the distribution of power in the post-war political system. Taking inclusiveness as the independent variable of the research question, I will briefly ask to what extent the agreement allows the "war-relevant" parties to take a share in the political institutions[10]. The recently created UN Peacemaker Database offers a broad classification of different types of agreements; Ta'if is classified as a "comprehensive peace agreement". However, I will argue that Ta'if does not correspond to the UN Peacemaker's own definition of a comprehensive agreement that states the following:

 "Comprehensive Agreements address the substance of the underlying issues of a dispute. (…) Comprehensive agreements seek common ground between the interests and needs of the parties to the conflict; they resolve the substantive issues in dispute and provide the necessary arrangements for implementing the agreement." (UN Peacemaker Database).

I will show that it was rather the lack of arrangements for implementing the agreement and the avoidance (or impossibility) to resolve the substantive issues (such as confessionalism) that

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[7] Up until today, no other census has been made, which illustrates the sensitiveness of its political consequences. It is estimated that between five and sixteen million people of Lebanese descent are spread all over the world (only approx. four million still live in the country), (FAO country profile website).
[8] For an analysis of the Lebanese confessional system see Corm 2005, or Johnson 2001, or Salibi 1989.
[9] Consensus is put into quotation marks due to its particular, limited meaning; see below.
[10] I am conscious that the terms „political system" and „political institutions" are somewhat imprecise; section five elaborates why this is the case.

made Ta'if an acceptable deal[11]. Ta'if was not inclusive in the sense that it directly offered each and every party to the conflict a seat on the table[12], nor was it inclusive in the sense that it was grounded on the idea that the Lebanese people should be truly integrated into the system[13]. However, it followed the previously mentioned logic of "consensus", implying that the top-leaders of the main sects (most of them were at the same time the leaders of a militia) would be given the main powers of the post-war political system. Even if not explicitly stated in the text of the agreement, it was how the deal was understood by politicians (Perthes 1994). Back in Beirut, the Lebanese Parliament and the new president (who was assassinated two weeks later) amended the constitution in order to implement some of the reforms envisioned at Ta'if. The National Assembly expanded to 128 seats and was divided equally between Christians and Muslims/Druze. The Ta'if agreement slightly transferred some power away from the Maronites[14]. Although the Accord explicitly stated the abolition of sectarianism as a national priority, it provided no timeframe but only suggested creating a national council that would prepare a phased plan in order to achieve a de-confessionalisation. In the interim, politicians were asked to renounce on the confessional representation base for the civil service and rely solely on competence and specialization for the allocation of posts. However, article G of the agreement stipulates that in a first phase top-level jobs would be exempted from this rule and should be shared equally by Christians and Muslims". This was not the only vagueness of the agreement: The amendments to the constitution provide in article 19 that a Constitutional Council shall supervise the constitutionality of the new constitution. The right to consult this Council is not only conferred to the "President, the President of the Parliament, the Prime Minister, along with any ten Members of Parliament" but also to the heads of religious communities "exclusively on laws relating to personal status, the freedom of belief and religious practice, and the freedom of religious education". Thus, a considerable direct influence for the various confessional groups remained guaranteed. There too, the status quo could only marginally be modified[15]. A good illustration of this sort of "inclusiveness" are the so called "*at-thawabet*" (literally translates as "the constants"): Reinoud Leenders established that "out of 243 posts (minister posts, prime- and vice-minister posts and ministers of state) assigned in the period 1989-2003, 177 posts were distributed among 49 persons who obtained these positions at least twice (and in some cases, up to seven times, especially due to a high degree of continuity in the Hariri cabinets) or who were assigned two or more posts simultaneously" (Leenders 2004: 4). According to Charles Adwan, "distributing the state assets and institutions amongst as many of those warlords as possible was the interpretation of national reconciliation adopted after the war. (..) Their ambition extended from the existing institutions to the ones to be set up within the reconstruction / reconciliation process" (Adwan 2005: 64).

In theory, the agreement would have ensured representation of all major parties in the decision-making by entrusting the Council of Ministers with the executive authority. However, as I will show in the next section, because of its vagueness and lack of resolving the substantive issues, political institutions have been marginalized by their own leaders to serve community and

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[11] Making abstraction of the regional pressures leading to the agreement.

[12] The example of General Aoun who fiercely denounced the Ta'if Accord and was forced into French exile is a case in point.

[13] This argument is made by Elizabeth Picard who rejects Arend Lijphart's assumption of Lebanon as a democracy by consensus. She argues that Lebanese people were never truly integrated in the system and that its underlying purpose was to "to keep them in the communal framework under the thumb of the traditional notables, heads of families, landowners and clerical authorities". (Reinkowski/Saadeh 2006: 101).

[14] The ratio was changed from 6:5 to 5:5 (Christians : Muslims/Druze).

[15] Of course, also external preferences (mainly Saudi Arabia and Syria) played a role in drafting the agreement and both, for different reasons, favored the old order.

sectarian interests (Adwan/Sahyoun 2001: 2). The collegial system of the Council of Ministers was replaced by a de facto troika system of the three highest positions whose holders perceived themselves as inter pares. Obviously, their conflicting interests often led to deadlocks which could only be resolved by continued "secondary deals"[16].

5. Inclusiveness and corruption

Lebanese civil society, media and academia have been increasingly complaining about the corruption in their country. Towards the end of the period I am analyzing, a public poll held and published by the Lebanese *An-Nahar* newspaper in fall 1998 identified corruption as being the nation's second most urgent problem after the former Israeli occupation of Lebanon's South (Adwan/Sahyoun 2001 : 8)[17]. There seems to be a wide consensus among civil society that the problem is directly linked to Lebanon's confessionalism. Randa Antoun writes that "it goes without saying that abolishing confessionalism is the key and indispensable remedy for corruption in Lebanon" (Antoun, undated: 1). I will use her statement to show that the extent of corruption is closely intertwined with the way the political settlement of the civil war was conceived, i.e. the failure of the Ta'if agreement to substantially resolve the issue of sectarianism.

The aim of this section is to assess the dependent variable: *an increase in corruption*. This stage of the research paper is the most delicate one. In order to find a way to link the nature of the peace agreement with the increase in corruption, I somehow need to isolate the effect of the agreement from all other factors influencing the extent of corruption. The reader will surely understand why this is not an easy task. Simply presenting a change in corruption does not tell us whether corruption is due to the civil war in general, the traditional clientelist system in Lebanon, the opportunities provided by the reconstruction process or the peace agreement in question. However, I argue that it is possible to show how it was- to a large extent- the outcome of the peace agreement that resulted in corruption.

For this exercise, it seems necessary to radically restrict the analysis. I will proceed in two stages: a) First, I will discuss how the provisions of the agreement resulted in hybrid, uncodified entities circumventing the regular state's bureaucratic institutions. b) Second, I will depict how disciplinary control agencies have been unable to function and how there can be found, even if not by direct causality, a nexus to Ta'if. This strategy rests on two sets of reasons: First, the agreement's inclusiveness implied that the leaders of the war militias were granted a seat in the postwar government (Picard 1999) and consecutively assured their share of the profits of the war and the peace by creating informal institutions that successfully bypassed the (already weak) control mechanisms of the Republic. Second, to include the strength of anti-corruption bodies into the analysis has the advantage that they constitute entities we can reasonably expect to assess via some unambiguous criteria (such as the number of employees convicted, the seriousness of punishments, etc.). Via this proxy, we can avoid, at least partly, the discursive problems inherent to a discussion of corruption (the fact that similar practices are labeled differently in different contexts). I will heavily rely on work done by Maroun Kisirwani, Professor in Comparative Politics at the American University of Beirut who has tracked the history of the disciplinary authorities. Due to the limits of the scope of this paper, I will present one example of each of the two groups of institutions, informal entities and the control agencies.

a) hybrid, uncodified entities:

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[16] One also has to mention the consecutive external power-brokering by Syria.
[17] These complaints alone do of course not prove the higher corruption nor a link to the Ta'if Accord but nevertheless illustrate the (perceived) seriousness of the problem.

Writing on negotiated peace agreements in Africa, Ian Spears sets forth that it is the "often informal, backroom pattern of inclusiveness, which relied on generous clientelist ties to keep 'coalitions' together" (Spears 2000: 108).

The choice of having a closer look at informal entities is supported by the following consideration: Some of the traditional accounts (including the one of the World Bank) of corruption employ a classification distinguishing two broad categories: *state capture* (which results for private firms and individuals making payments to political officials to influence the design of laws and regulations, encoding preferential treatment for their private interest) as well as *administrative corruption* (which involves payments by private interests to distort the implementation of bureaucratic rules and regulations in their favor). While it seems at first glance tempting to use a well-established classification and thus focus either on administrative corruption *or* on political state capture, in my view it is not suitable for the study of the Lebanese case.

Because of the war's devastation, a number of new institutions had to be created for the country's reconstruction. In most instances, these entities remained uncodified without a formal legal personality and were operating as provisionally founded administrations. For instance, Reinoud Leenders mentions the "*Commission d' Exploitation et de Gestion du Port de Beyrouth*", the responsible entity for the clearing of the capital's damaged port. Despite the fact that it was running a crucial public function, it was not part of the state, nor was it a private company (Leenders 2004: 1).

The example that best illustrates these uncodified institutions and their link to corruption is the so-called troika: as already mentioned above, one of the most problematic results of the Ta'if design was the "consent-requirement" between the elites of the major communities. The troika stands for the influence of the Maronite president of the Republic, the Sunni prime-minister and the Shiite speaker of Parliament in the national decision-making process. It was not their branch of power (executive, legislative) that gave them their specificity but rather their position as the respective leaders of the three major sects. Because of their repeated disagreement, only the smallest common denominator could be acceptable and major secondary deals had to be made to make a decision acceptable to other coalition members. According to Leenders, the "the troika has introduced some peculiar practices that seriously affected the boundaries between state and society", mainly through the apportionment (*muhasassa*) of public sector employment. In fact, the troika reproduced itself in the entire state apparatus and most new employees were appointed according to their links to the three *ru'asa'*, or 'presidents', and their allies, even the lower ranks (despite art. 95b of the amended constitution that abolished the sectarian apportionment except for the highest ranks). These practices have resulted in serious over-staffing. Leenders offers the example of the Information Ministry which is reported to have spent around 90 percent of its 1998 budget on the salaries of 1,800 employees of whom more than half did not have a job description, failed to show up at work or later turned out to be fictitious altogether. In short, "strategies to manage intra-elite conflicts have inserted private constituencies into the state" (Leenders 2004: 7). The result was not only an inflation of Lebanon's regular public sector but also the manipulation of the uncodified (and largely uncontrolled) institutions that were created after the settlement of the civil war. Following the logic of giving a share to each of the troika's communities, the three main institutions that were in charge of reconstruction were attributed to one of the three main sects and then turned into tools of nepotism and rent seeking. Through an implicit and mutual recognition of different "spheres of includes", each member of the Troika was granted large autonomy in their respective domains of "specialization" (Leenders 2004: 11). In practice, this worked as follows: Prime Minister Hariri (a Sunni self-made billionaire with strong ties to Saudi Arabia) was given large powers in dealing with reconstruction in the urban area of Beirut, especially via the Council

for Development and Reconstruction (CDR)[18]. Parliament Speaker Berri (a Shiite born in Sierra Leone, at the same time the leader of the pro-Syrian *Amal* movement) could rule the Council of the South that was in charge of relief program for the South of Lebanon. Former President Hrawi has according to Leenders enjoyed privileged access to oil and gas via his allies in the Ministry of Industry and Oil[19].

To conclude on the example of the troika, I feel confident to infer that while it is true that political corruption has also been present in pre-war Lebanon[20], Ta'if's design and notably its "implementation" have significantly widened in the post war period through a number of blurred institutions. The mechanism that in my opinion establishes the causal link between the Ta'if Accord and the spread of corruption has worked in the following way: After the ceasing of violent war and the signing of the agreement, the leaders of the troika and the new elite understood that the demobilization of the militias would only be acceptable if a large number of their "clients" would get a job in the post-war system. These ambitions could best be met by the creation and manipulation of the largely uncontrolled institutions responsible for reconstruction programmes. Leenders explains that "whereas in the early 1990s the number of total public employees and contractual workers was estimated at 150 thousand, the Hoss-government referred in the beginning of 1999 to a number of 200 thousand, i.e. 20 percent of the country's labor force. The fact that many of these employees could be made redundant – if only considerations of efficiency would apply - has been acknowledged at several times by the government itself. For example, at the end of 1997, a government plan announced that 60 thousand positions could be scrapped altogether without affecting the public sector's provision of services or its productivity. But given the political sensitivities such a draconic measure would have evoked, the plan was quickly shelved" (Leenders 2004: 11).

b) control agencies

I will now turn to the second example and have a closer look at Lebanon's anti-corruption bodies. The main instruments of compliance monitoring in Lebanon are the Ministry of Finance, the Court of Accounts, the Civil Service Council, the Central Inspection Board, and a General Disciplinary Council entrusted to disciplining public officials (Iskandar 1996: Introduction). It seems inevitable to conclude that the logic of *muhasassa* was also guiding the recruitment of inspectors and that political vetoes hindered an effective fulfillment of the public sector's controlling bodies' tasks[21]. Maroun Kisirwani and William Parle conducted a survey on the behavior of Lebanese bureaucrats in order to assess the impact of the civil war on the state's bureaucracy. Although this survey dates from 1979/80, i.e. almost a decade *prior* to the conclusion of Ta'if, its results are still relevant for my research question. Respondents have reported "that the war has brought an increased emphasis on the all-important concern of sectarianism within the bureaucracy. In the view of respondents there is an increased tendency,

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[18] The CDR was set up as an independent government agency for publicly financed reconstruction projects. Hariri then set up a private company, *Solidere* that, by governmental decree, expropriated all of the property of the Beirut Central Commercial District in exchange for shares in the company. As an example, the CDR awarded a contract to *Solidere* for the execution of infrastructure works estimated at US $475 million in return for an extra piece of land which has been designated as a landfill, and which would generate over US $1 billion dollars in estimated revenues, according to *Solidere's* own calculations (Adwan 2005: 68f; Norkonmaa 1995: 1).

[19] In addition, the influential Druze leader and leader of the feared Druze militia, Walid Jumblatt, was given considerable discretion in ruling the Fund for the Displaced.

[20] For one of the few accounts on pre-war corruption, see: Kisirwani 1997.

[21] Again, I have to fully rely on information that was collected by others. Leenders provides evidence from interviews with inspectors that requested their names to be withheld (Leenders 2004: 10).

as a result of the conflict, for officials to see bureaucratic actions in sectarian terms, and to respond on a sectarian basis in dealings with citizens. (…) When asked if public officials were more likely now than before to demand a bribe, 75 percent said yes, 9 percent said no, and 16 percent said that they did not know" (Kisirwani/Parle 1987: 11). While this survey only addresses the impact of the civil war and *not* the one of the peace agreement, it nevertheless shows the weak capacities of the control agencies to resist to the post-war pressures exercised upon them. As Adnan Iskandar points out, "the problem of ensuring the necessary independence and immunity of central control agencies against political infringements is a very difficult and complex issue since it is, to a great extent, a function of the political system that exists in Lebanon". Iskandar's study of the public service accountability in Lebanon contains the following illustration of the difficulties the control mechanisms faced during the period immediately following the Ta'if agreement:

"When the first Hariri cabinet assumed office in October 1992, it was forced, as a result of the intensity of public complaints and criticism, to give urgent priority to the issue of corruption in the public service. In its attempt to deal with this problem, the government decided to bypass the General Disciplinary Council, and create a special committee composed of the members of the Civil Service Council and the Central Inspection Board which was entrusted with the task of reviewing the cases of public employees referred to them by the Council of Ministers and recommending the dismissal of anyone of them without specifying the causes. But, despite this provision in the law creating this Special Committee, it was made abundantly clear in so many official statements that the main purpose of this whole operation was to "purge" corrupt employees as well as employees who were not attending to their duties. The result of this purge movement, as it has become known, was the dismissal of about 500 employees, the vast majority of whom were of mid and lower ranks of the public service. Here again there was no single grade one employee among the purged ones and only a very small number of grade two or three employees. Following the purge, a large number of the dismissed employees appealed to the Council of State, the highest administrative court, which annulled decisions of the Council of Ministers on the grounds of insufficient evidence. This whole operation proved to be one of the major fiascos of this cabinet." (Iskandar 1996: chapter I).

Further evidence of the weak position of the control agencies is contained in Kisirwani's study that collects empirical data on the sanctions imposed by the Central Inspection Committee at various points in history. For the period following the civil war, he finds that these sanctions were even rarer and milder than in earlier periods. He concludes that the higher ranks are almost completely shielded and that the sanctions imposed on the lower ranks mean little to offenders who are making several times their salaries in bribes and extortions (Kisirwani 1997: 15).

However, as opposed to the example of the troika and the uncodified institutions, it does not seem obvious to link the weakening of the control agencies directly to the provisions of the Ta'if agreement. Since Iskandar and Kisirwani convincingly show that these bodies have been weak since their inception and suffered by the impact of the war in general, I do not feel confident enough to confirm my hypothesis in an unmitigated manner. On the other hand, I feel safe to endorse the idea that the performance of the disciplinary bodies could only be fundamentally improved if their members were emancipated from the power of confessional "patrons". Yet, such a change closely depends on the nature of the political system and it can therefore be viewed as an indirect result of the political settlement of the civil war.

To sum up, while I have identified a directly causal mechanism with regard to the uncodified institutions, I would not go as far as straightly attributing the weakening of the control agencies

to the nature of the peace agreement. However, there seems to be a clear link to the nature of the political system following the settlement of the civil war.[22]

6. Possible limitations of the argument

I have made the previous conclusions through a focused analysis of the two variables, inclusiveness and corruption. Obviously one could object that I have neglected potential other alternative independent variables. While I fully agree that corruption is not a one-dimensional problem, but encompasses a range of interaction within the state and between state and society, I do not at all pretend that the causes of corruption in Lebanon are singular. It is certainly true that there has been a long tradition of a limited conception of the role of the Lebanese state and the fact that it has never been designed to interfere in communitarian politics (Harb 2006). While there would be few to challenge my assumption that corruption has indeed increased after the civil war, some would probably object to my reasoning that the increase is not associated with the peace agreement as such, but with the particular nature of any reconstruction process. Different reasons have been identified why corruption often accompanies a reconstruction process. First of all, it is not surprising that the post war economy closely correlates with the war economy. The line between the war and post-war situations is often artificially drawn and continuing patterns extend to a longer period. Second, inflows of aid are largest when institutional capacities are weakest. Further, it is often the case that discursive changes occur in the wake of wars and established practices are branded as corruption while they were not prior and during the war. Forth, post-war reconstruction implies construction in physical infrastructure and according to Transparency International's Global Corruption Report 2005; corruption is widespread in the construction sector in general (Transparency International 2005: 36). These reasons all make sense and there is no magic "exogeneity test" to isolate one or the other factor present in a messy postwar environment. Yet, at least for the Lebanese case, it appears to me that the way the "consensus" found in the Ta'if Accord was applied and interpreted in the post-war period has been at the root of the problem of corruption, while the other mentioned factors have added to the problem[23].

7. Conclusion and policy implications

To a war-weary population desperate to end its prolonged misery and the destruction of its country, the Ta'if Agreement was certainly a great relief (Kisirwani 1997: 87). However, I have shown that it led to corruption and waste of resources. The difficult question that follows is whether "the dividends of peace obtained from corruption might outweigh the costs of inefficiencies" (Le Billon 2003: 420) or if on the other hand "consensus may be essential to end war, but too costly to sustain peace" (Adwan 2005: 58). I do not believe that it is helpful to approach this question from a moralist point of view and judge it from the idea that corruption is "morally undesirable". After all, tackling corruption should not take precedence over peace building and the first priority should be to maintain the security for the population (Transparency International 2005: 81). Jeremy Carver nicely formulated the challenge: "the toughest post-war nut to crack is how you create that political process in a way that is sustainable and will not in itself use the manner in which it is created and the opportunities thus provided to control the economy or the population through ever deeper corruptive processes" (Carver 2005: 124). In my view, this dilemma should not be seen in isolation but complementary to some of the

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[22] That implies that a different war outcome would have resulted in a different strength of the agencies. It also implies, as I will conclude, that a "technocratic approach" to reform will not be sufficient.

[23] To support this claim, I would put forward that it was the political order of the settlement that determined the way the reconstruction process took place, as I have shown with regard to the three institutions for reconstruction that were attributed to each of the three "presidents".

research done on the consequences of negotiated settlements even if this body of literature does not directly address the question of corruption. One such prominent study is Licklider's "Exploring the Limits of Consent" where the author argues that aiming at encouraging compromise among the warring parties is not necessarily the safest way to avoid further violence. Despite the controversial nature of the discussion, he argues that negotiated settlements often have such important shortcomings that they end in breakdown[24]. Neither does Harrison Wagner's hypothesis deal with corruption, but re-reading his argument shows striking parallels to the Lebanese case: Wagner argued in 1993 that negotiated settlements of civil wars come with serious drawbacks. They lead to governments that are ineffective because they create internal balance of power situations that make it difficult for the new government to function effectively (Wagner 1993: 235). The lack of the agreements' sustainability seems to stem from the fact that any state that experiences a civil war has major internal problems but that those problems are unlikely to be resolved unless the postwar government can undertake structural change at the expense of vested interests[25]. The reason why such structural reforms could not be achieved so far in the case of Lebanon is probably the fact that its negotiated settlement has resulted in veto groups that will not surrender power for social change whose impact on them is uncertain[26].

But what are the alternatives? If the military strategy leading to a clear-cut victory is no viable option[27], is it possible to "make the negotiated settlements work" (Hartzell 1999: 3)? If we agree that an increase in corruption as observed in the case of Lebanon is not sustainable, is there a way to avoid that an inclusive peace leads to such a result? As I have hopefully convinced the reader that the Lebanese corruption is closely intertwined with the political system, a GEMAP-like approach[28] is not very promising. International mechanisms to monitor expenditures, as tried in Liberia, most probably only bear fruits if the problem can be fully attributed to the economic system. Neither is Barbara Walter's suggestion of external guarantees a realistic option because Lebanon is the typical example of a country serving as an arena for proxy struggles and it is difficult to conceive that all local forces would agree on an external actor's strong role.

This leads me to the inconvenient conclusion that if the observed corruption is closely linked to the premises of the political order; orthodox prescriptions of "administrative reform" and technocratic fixes to curb corruption will be largely insufficient[29]. Without addressing elite

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[24] Of course, one would also have to further discuss whether the Ta'if order falls or will fall into the category of a "breakdown" or not. In any case, it seems to me that in the current crisis there are strong signs of its unsustainable nature.

[25] LICKLIDER, Roy, "The Consequences of Negotiated Settlements in Civil Wars, 1945-1993", in: *American Political Science Review*, Vol. 89, No. 3 (Summer 1995), p. 685.

[26] This can in my view be seen as a serious limitation to Lijphart's assumption of elite cooperation.

[27] Which it is certainly not for the Lebanese case. Out of the then 17 recognized communities, alliances with various regional and international supporters were constantly shifting and considerably manipulated according to the external actors' interests.

[28] GEMAP stands for "Governance and Economic Management Assistance Program" and refers to the efforts by the Liberian government and the international community to reshape the system of governance in Liberia, separating economic from political governance (McGovern 2007).

[29] For instance, the Office of the Minister of State for Administrative Reform (OMSAR) was established with funding from the World Bank. Its approach could be described as "managerial" and institutional inefficiency is viewed as a technical problem. In its mission statement we read: "Bringing the Lebanese post-war public administration into the 21st century through an optimal and coherent introduction of Institutional Development (rehabilitation and reform) and Information Technology" (OMSAR website). Similarly, the IMF has provided funding for computerizing the revenue administration in order to increase its efficiency and curb tax evasion (International Monetary Fund 2004: 16).

disagreement and fragmentation, creating an institutional environment capable of fundamental improvement will remain largely illusory.

<u>Policy suggestions</u>
As concrete alternatives are difficult to find in theory and even more in practice, at the very least I suggest being conscious of the potential side-effects of the consensual medicine. It is a reality that negotiated settlements necessarily involve power sharing. However, it is possible to imagine different types of consensus and we should aspire to find a way to limit access to consensus and to avoid it becoming a rule applied in every aspect of the state and its institutions. Consensus should thus not be extended to day-to-day decision-making and the inner life of each and every institution. My suggestion is that if consensus might often be the only viable option to end the violence, the potential negative long-term effects should be taken into account. Ideally, the agreement should seek to limit the "consensus-logic" to the basic provisions of how the new government should look like; viewed from a bird's eye perspective but not from within its institutions.

To achieve such a goal, it might be tolerable to have longer and more difficult negotiations at the time when an accord is drafted in order to move closer to agreeing on a state that can handle the underlying problems that caused the violence in the first place. If well-meaning external actors are present, they should encourage the drafting of agreements that contain sufficient detail and specificity, clear implementation timetables and that set forth a sound mechanism for resolving disputes during implementation or interpretation of the agreement. That in itself is an ambitious, but not always unreachable aspiration.

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