

## PREFACE

This book is based on a D.Phil. thesis that I submitted in 1992 at the Institute of Development Studies at the University of Sussex, England. Following a long professional interruption at the International Monetary Fund, it has since been thoroughly updated and re-written. The original message, however, remains intact. In fact, experience has reinforced my belief in it: *laissez-faire* is not the way to go for developing countries, indeed for all countries.

Today, mainstream economics continues to refine the theoretical model of the pure market economy, which is implicitly used by the “Washington Consensus” in advocating standard market solutions to a variety of economic problems. But the need is for economic talent to explore workable and effective solutions to complex economic problems that are governed by politics, rather than, as many do, spend lifetimes in formalizing and praising the benefits of the pure market system that never was.

History has confirmed that command economies can utterly fail, materially and morally. The symmetrical case of a *laissez-faire* economy, on the other hand, is a rare historical event. The attraction of Lebanon in this regard is precisely because of its unique *laissez-faire* condition, which has long operated as approximately as possible to a pure market economy. It is this historical singularity that has provided the drive to write this book.

Writing outside the tradition of mainstream economics has been a lonely exercise, especially since it was also done outside an academic environment. Nonetheless, with time, one accumulates intellectual debts, and memory fails. To my friends, and those few wonderful stimulating authors (above all, Luigi Pasinetti, Joan Robinson and Piero Sraffa), my gratitude.

I dedicate this book to my wife and children, who have paid over a long period more dues than they should have. What has made this difficult to me is that they never complained.