

Determinants of Lebanese Economic Activities

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Abstract: The study of the determinants of economic activities aims to inform policymakers on how they can improve the Lebanese economy. It focuses on four independent variables, which are gross fixed capital formation (GFCF), foreign exchange reserves (FER), foreign direct investment (FDI), and information and communication technologies (ICT). The use of the panel data method helps to find out if all the economic activities are similarly affected by these four determinants or that each economic activity is differently affected. The period on which the study was applied is 1980-2019 to focus on the determinants of economic activities in a period of economic stability and not during economic and financial crises. Lebanon, which is a developing country that suffers from various problems such as persistent trade deficits, bad infrastructure, political instability, and debt, needs to develop its economy. The results obtained show that these conditions may prevent the country from benefiting from the positive effect of some of the determinants of economic activities.

Keywords: Economic Activities, GFCF, FER, FDI, ICT

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