



## Lebanon

Lebanon, a country of 5.5 million people, faces the worst economic crisis in its history in the absence of either a president or a fully functioning cabinet—analysts call this a “dual executive vacuum.” Lebanon hosts the largest number of refugees in the world per capita (over 1 million, mostly Syrians). This has raised social tensions and strained public services. U.S. policy seeks to counter the influence of Iran and Hezbollah and bolster Lebanese state institutions while calling for reforms to counter corruption.

### Government & Politics

Lebanon’s population includes Christian, Sunni Muslim, and Shi’a Muslim communities of roughly comparable size. In what is referred to as Lebanon’s confessional system, political posts are divided among the country’s various religious groups, or “confessions,” in proportions designed to reflect each group’s share of the population—although no formal census has been conducted in the country since 1932. The presidency is reserved for a Maronite Christian, the prime minister post for a Sunni Muslim, and the parliament speakership for a Shi’a Muslim.

Since Syria’s withdrawal from Lebanon in 2005, Lebanese politics have been contested between two rival political coalitions. The **March 8** political coalition includes the Free Patriotic Movement or FPM (Christian), as well as Hezbollah and the Amal Movement (both Shi’a), and advocates close ties with Syria and Iran. The **March 14** coalition traditionally has included the Future Movement (Sunni), and the Lebanese Forces and Kataeb (both Christian), and advocates closer ties with Saudi Arabia, France, and the United States.

A nationwide protest movement that began in 2019 led civil society groups to form new parties challenging traditional elites—resulting in the election of an unprecedented number of self-described opposition Members of Parliament (MPs) in 2022. Since 2019, some parties historically linked to March 14 (Kataeb and the Lebanese Forces) also began to identify as reform movements. The Future Movement withdrew from the 2022 elections, fracturing March 14 further and leaving Sunni candidates to run as independents, without unified political leadership.

### 2022 Parliamentary Elections

Lebanon’s May 2022 parliamentary elections did not result in a clear majority for either March 8 or March 14-linked groups, contributing to paralysis on issues requiring a majority vote—including government formation and presidential elections. The elections automatically triggered the resignation of the government, placing it in a caretaker capacity and necessitating the appointment of a new prime minister and cabinet. Then-President Michel Aoun and Prime Minister-designate Najib Mikati did not agree on the composition of a new cabinet before the expiration of Aoun’s term in October 2022.

Figure 1. Lebanon



Source: Created by CRS using ESRI and Google Maps.

### Presidential Elections

In October 2022, President Aoun’s term expired without the election of a successor (Lebanon’s president is elected by the parliament). In the case of a vacancy in the presidency, Lebanon’s constitution delegates the functions of the president to the cabinet, but the cabinet has remained in caretaker status since the 2022 parliamentary elections, with significantly limited authorities. Numerous rounds of voting since October 2022 have failed to select a president—due either to lack of quorum (86 MPs), or to a significant number of MPs casting blank ballots. In the absence of a clear March 8 or March 14 majority in the current parliament, the two coalitions would need to seek some degree of consensus—and/or solicit support from independent and opposition MPs—to garner the votes necessary to elect a president.

### Hezbollah

Hezbollah, a designated Foreign Terrorist Organization (FTO) and Specially Designated Global Terrorist (SDGT), operates in Lebanon as a militia force, a political party, and a provider of social services. Iran provides the group with funding and has used it to threaten Israel. While Israel withdrew in 2000 from areas of southern Lebanon it had occupied since 1982, Hezbollah has used the remaining Israeli presence in disputed areas in the Lebanon-Syria-Israel triborder region to justify its ongoing conflict with Israel and its continued existence as a militia alongside the Lebanese Armed Forces (LAF). In 2006, Hezbollah and Israel fought a 34-day war in which over 1,200 people, mostly Lebanese, were killed. Hezbollah has participated in

Lebanese elections since 1992. The group first entered the cabinet in 2005, and has held 1 to 3 seats in each subsequent Lebanese government. Government formation without Hezbollah is unlikely, as cabinets traditionally reflect the distribution of MPs in Parliament (where Hezbollah currently holds 13 of the 128 seats).

### U.N. Interim Force in Lebanon (UNIFIL)

In 1978, UNIFIL deployed to the Lebanon-Israel-Syria tri-border area to confirm the withdrawal of Israeli forces from southern Lebanon and assist the Lebanese government in expanding its authority there. Following the 2006 Israel-Hezbollah war, U.N. Security Council Resolution 1701 expanded UNIFIL's mandate to include assisting the Lebanese government in establishing "an area free of any armed personnel, assets and weapons other than those of the Government of Lebanon and UNIFIL" between the Blue Line [a 120 km line between the two states used to confirm the Israeli withdrawal] and the Litani River. UNIFIL describes this zone as its area of operations. UNSCR 1701 calls upon Lebanon to secure its borders and requests that UNIFIL "assist the government of Lebanon at its request."

### Economic Crisis

According to a 2021 World Bank report, Lebanon faces an economic crisis "likely to rank in the top 10, possibly top 3, most severe crises episodes globally since the mid-nineteenth century." Since 2019, the depreciation of the Lebanese *lira*/pound has resulted in massive inflation, devalued salaries by over 90 percent, and forced the government to reduce or eliminate subsidies on essential goods. A lack of foreign exchange to finance imports has triggered shortages of medicine, water, and fuel. Due in part to fuel shortages, Lebanon's energy sector generates less than two hours of electricity daily. An IMF deal to provide \$3 billion in loans remains contingent on a set of reforms that Lebanon's government largely has not implemented. A regional gas deal intended to increase electricity supply to Lebanon remains stalled as participants seek assurances that they will not be subject to U.S. sanctions.

### Regional Gas Deal

In late 2021, the governments of Egypt, Jordan, and Syria agreed to transfer natural gas and electricity to Lebanon in order to alleviate widespread power outages. Egyptian natural gas is to transit Jordan and Syria to reach Lebanon, a transfer expected to generate an additional four hours of electricity per day. The gas is to be distributed first to Syria, which is to send a smaller quantity of gas into Lebanon via the Arab Gas Pipeline—a difference equivalent to an in-kind payment. The agreement reportedly aims to avoid a direct payment of transit fees to Syria in violation of U.S. sanctions. As part of the agreement, Jordan is to transfer excess electricity via Syria to Lebanon, generating an additional two hours of electricity per day. Some Members have criticized the deal—which as of March 2023 has not yet been implemented—describing it as a violation of U.S. sanctions on Syria. In early 2023, a State Department spokesperson stated that, "we have not waived any Syria-related sanctions in this case or in any other case."

### U.S. Policy

U.S. policy in Lebanon aims to counter the influence of Iran, Syria, and Hezbollah, secure Lebanon's border, and preserve domestic stability. To this end, the U.S. government has sought to strengthen the LAF, generating

debate in Congress between those who view the LAF as key to countering Hezbollah and those who argue that U.S. assistance to the LAF risks falling into the hands of U.S. adversaries. Congress places several certification requirements on U.S. assistance funds for Lebanon annually in an effort to prevent their misuse.

**Table 1. U.S. Bilateral Aid to Lebanon**

allocations by year of appropriation, current U.S. \$ in millions					
	FY20 actual	FY21 actual	FY22 actual	FY23 request	FY24 request
DA	7.55	-	-	-	-
ESF	78.95	112.50	112.50	112.50	112.50
FMF	105.00	120.00	180.00	150.00	150.00
IMET	2.68	3.00	1.68	3.50	3.50
INCLE	10.00	10.00	8.20	7.20	7.20
NADR	11.82	12.82	12.82	9.26	9.26
<b>Total</b>	<b>216.00</b>	<b>258.32</b>	<b>315.2</b>	<b>282.46</b>	<b>282.46</b>

**Source:** State Department Budget Justifications (FY2022-FY2024).

**Humanitarian Aid.** The United States has provided more than \$3 billion in humanitarian assistance for Lebanon since 2012, including over \$402 million in FY2022.

### Issues for Congress

In January 2023, U.S. officials announced the rollout of the LAF-ISF [Internal Security Forces] Livelihood Support Program, which aims to provide "every soldier and police officer eligible to receive assistance under U.S. law with \$100 per month for a period of six months," for a total of \$72 million. The United Nations Development Programme (UNDP) is to implement the program. The funds, which were notified to Congress in January 2022, reportedly had faced initial opposition from some Members. As the project is implemented, Members could seek further details on vetting mechanisms for recipients.

### Outlook

Lebanon has long served as an arena for competition among rival regional actors, particularly Saudi Arabia and Iran—which historically have backed Lebanon's March 14 and March 8 political coalitions, respectively. In March 2023, Iran and Saudi Arabia signed a bilateral agreement to restore diplomatic ties. Iran's government subsequently announced that it would stop arming Houthi militants in Yemen. It is unclear whether and to what extent the agreement could also impact events in Lebanon.

Observers continue to warn about deteriorating conditions in Lebanon. In March 2023, the IMF described the situation in Lebanon as "very dangerous"; the same month, Assistant Secretary of State for Near Eastern Affairs Barbara Leaf warned that the collapse of the Lebanese state was "a real possibility," stating that, "all the indicators are going sharply downward, and at an accelerating speed." Leaf stated that the United States seeks to provide short-term assistance to buttress state institutions, but added that the United States "cannot do the job of the government itself."

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