

# Lebanon: Background and U.S. Policy

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## Summary

Lebanon's small geographic size and population belie the important role it has long played in the security, stability, and economy of the Levant and the broader Middle East. Congress and the executive branch have recognized Lebanon's status as a venue for regional strategic competition and have engaged diplomatically, financially, and at times, militarily to influence events there. For most of its independent existence, Lebanon has been torn by periodic civil conflict and political battles between rival religious sects and ideological groups. External military intervention, occupation, and interference have exacerbated Lebanon's political struggles in recent decades.

Lebanon is an important factor in U.S. calculations regarding regional security, particularly regarding Israel and Iran. Congressional concerns have focused on the prominent role that Hezbollah, an Iran-backed Shia Muslim militia, political party, and U.S.-designated terrorist organization, continues to play in Lebanon and beyond, including its recent armed intervention in Syria. Congress has appropriated more than \$1 billion since the end of the brief Israel-Hezbollah war of 2006 to support U.S. policies designed to extend Lebanese security forces' control over the country and promote economic growth.

The civil war in neighboring Syria is progressively destabilizing Lebanon. According to the United Nations High Commissioner for Refugees, more than 1 million predominantly Sunni Syrian refugees have fled to Lebanon, equivalent to close to one-quarter of Lebanon's population. Regional supporters and opponents of Syrian President Bashar al Asad are using Lebanon as a transit point and staging ground in a wider regional conflict. Hezbollah has intervened in Syria in support of Asad, and Sunni extremist groups based in Syria are cooperating with Lebanese and Palestinian Sunni extremists in Lebanon to carry out retaliatory attacks against Hezbollah targets.

The U.S. intelligence community told Congress in its 2014 Worldwide Threat Assessment that, "Lebanon in 2014 probably will continue to experience sectarian violence among Lebanese and terrorist attacks by Sunni extremists and Hezbollah, which are targeting each-others' interests.... Increased frequency and lethality of violence in Lebanon could erupt into sustained and widespread fighting." In January 2014, the U.S. State Department warned against all travel to Lebanon in light of growing terrorist threats.

The question of how best to marginalize Hezbollah and other anti-U.S. Lebanese actors without provoking civil conflict among divided Lebanese sectarian political forces remains the underlying challenge for U.S. policy makers. Ongoing political deadlock and the prospect of executive, legislative, and security force leadership vacuums amplify this challenge.

This report provides an overview of Lebanon and current issues of U.S. interest. It provides background information, analyzes recent developments and key legislative debates, and tracks legislation, U.S. assistance, and recent congressional action. It will be updated to reflect major events or policy changes.

For more information on related issues, see CRS Report RL33487, *Armed Conflict in Syria: Overview and U.S. Response*, coordinated by (name redacted); CRS Report R43119, *Syria: Overview of the Humanitarian Response*, by (name redacted) and (name redacted); and CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted).

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## Background

Since achieving political independence in 1943, Lebanon has struggled to overcome a series of internal and external political and security challenges. Congress and the executive branch historically have sought to support pro-U.S. elements in the country, and in recent years the United States has invested more than \$1 billion to develop Lebanon's security forces. Some Members of Congress have supported this investment as a down payment on improved security and stability in a contentious and volatile region. Other Members have criticized U.S. policy and sought to condition U.S. assistance to limit its potential to benefit anti-U.S. groups.

The Lebanese population is religiously diverse, reflecting the country's rich heritage and history as an enclave of various Christian sects, Sunni and Shia Muslims, Alawites, and Druze. The Ottoman Empire controlled the territory that is now Lebanon until 1918 and administered the Maronite Christian enclave of Mount Lebanon and neighboring predominantly Muslim districts as separate entities. In 1920, the French authorities who were administering what is now Lebanon and Syria pursuant to post-World War I Mandate arrangements combined Mount Lebanon and several surrounding districts into a single entity they called Greater Lebanon. That entity adopted a constitution in 1926 and gained its independence as the Republic of Lebanon in 1943. In order to mitigate a tendency for their religious diversity to fuel political rivalry and conflict, Lebanese leaders have attempted with limited success since independence to manage sectarian differences through a power-sharing-based democratic system. Observers of Lebanese politics refer to these arrangements as "confessional" democracy.

Historically, the system served to balance Christian fears of being subsumed by the regional Muslim majority against Muslim fears that Christians would invite non-Muslim foreign intervention.<sup>1</sup> Lebanese leaders hold an unwritten "National Covenant" and other understandings as guarantees that the president of the republic be a Maronite Christian, the prime minister a Sunni Muslim, and the speaker of Parliament a Shia Muslim. The large Christian community benefitted from a division of parliamentary seats on the basis of six Christians to five Muslims. This ratio was adjusted to parity following Lebanon's 1975-1989 civil war to reflect growth in the Muslim population. Lebanon has not held a national census in decades, largely because of the sensitivity of confessional power-sharing arrangements.

Sectarianism is not the sole determining factor in Lebanese politics.<sup>2</sup> These factors, combined with the tensions that have accompanied regional conflicts and ideological struggles, overshadow limited progress toward what some Lebanese hold as an alternative ideal—a non-confessional political system.

<sup>1</sup> See for example, Michael Suleiman, "The Role of Political Parties in a Confessional Democracy," *Western Political Quarterly*, Vol. 20, No. 3, 1967; Ralph E. Crow, "Religious Sectarianism in the Lebanese Political System," *Journal of Politics*, Vol. 24, No. 3, 1962, pp. 489-520; Malcom Kerr, "Political Decision-Making in a Confessional Democracy," in Leonard Binder (ed.), *Politics in Lebanon*, Wiley and Sons, New York, 1966, pp.187-212; Farid el Khazen, "Political Parties in Postwar Lebanon: Parties in Search of Partisans," *Middle East Journal*, Vol. 57, No. 4, 2003, pp. 605-624; Paul Salem, "The Future of Lebanon," *Foreign Affairs*, Vol. 85, No. 6, 2006, pp. 13-22; and, Arda Arsenian Ekmeji, *Confessionalism and Electoral Reform in Lebanon*, Aspen Institute, July 2012.

<sup>2</sup> As one academic author put it in the 1960s, "While it is an exaggeration to hold that all things political in Lebanon are fundamentally religious, it is nevertheless true that any explanation of Lebanese politics will be incomplete unless the role of religious attitudes and organizations are taken into account." Crow, op. cit.

Figure 1. Lebanon: Map and Select Country Data



**Source:** Prepared by (name redacted), Graphics Specialist, Congressional Research Service.

The consistent defining characteristic of U.S. policy during the Bush and Obama Administrations has been an effort to weaken Syrian and Iranian influence in Lebanon. Parallel U.S. concerns focus on corruption, the weakness of democratic institutions, the future of Palestinian refugees, and the presence of Sunni extremist groups. The latter threat was illustrated by the Lebanese Armed Forces' (LAF's) 2007 confrontation with the Sunni extremist group Fatah al Islam, which resulted in the destruction of much of the Nahr al Bared Palestinian refugee camp. The threat continues to be reflected in some Lebanese Sunnis' support for extremist groups that are fighting in Syria and in the recent campaign of anti-Hezbollah bombings and sectarian attacks in Lebanon. While some Sunni extremist groups appear to have grown in strength since 2012, Hezbollah remains the most prominent, capable, and dangerous U.S. adversary in Lebanon.

Congress has appropriated more than \$1 billion in assistance (**Table 3**) for Lebanon since the end of the 34-day Israel-Hezbollah war in 2006 to strengthen Lebanese security forces and promote economic growth. Some Members of Congress have expressed support for the goals and concerns outlined by Bush and Obama Administration officials since 2006, but periodically have questioned the advisability of continuing to invest U.S. assistance funds, particularly at times when the political coalition that includes Hezbollah has controlled the Lebanese cabinet.

U.S. engagement nominally seeks to support the development of neutral national institutions and to drive change that will allow Lebanon's citizens to prosper, enjoy security, and embrace non-sectarian multiparty democracy. In practice, U.S. policy makers have sought to walk a line between maintaining a neutral posture and marginalizing those in Lebanon who are hostile to the United States, its interests, and its allies. Some Lebanese—particularly Hezbollah supporters and others who reject calls for non-state actors to disarm—have decried U.S. policy as self-interested intervention in the zero-sum games of Lebanese and regional politics. Other Lebanese welcome U.S. support, whether as a means of fulfilling shared goals of empowering neutral national institutions or as a means to isolate their domestic political rivals. Some groups' views of U.S. involvement fluctuate with regional circumstances and their personal fortunes.

The challenges Lebanon presents to U.S. policy makers, with its internal schisms and divisive regional dynamics, are not new. After Lebanon emerged from French control as an independent state in the 1940s, the United States moved to bolster parties and leaders that offered reliable support for U.S. Cold War interests.<sup>3</sup> The influx of Palestinian refugees to Lebanon following Arab-Israeli wars in 1948 and 1967 further complicated the regional and domestic scenes, just as an influx of close to 1 million Syrian refugees has done since 2011. Palestinian refugee camps (**Figure 2**) became strongholds for the Palestine Liberation Organization, staging areas for cross-border *Fedayeen* terrorist attacks inside Israel, and ultimately targets for Israeli military retaliation. In recent years, some of these camps have become safe havens for transnational Sunni extremist groups.

The late 1960s and early 1970s saw a slow drift toward civil war, as the United States provided support for the Lebanese Armed Forces (LAF) "to improve the army's capability to control the Fedayeen."<sup>4</sup> This policy foreshadowed current U.S. concerns and approaches, which similarly

<sup>3</sup> The United States intervened militarily in Lebanon in 1958 in response to fears of the overthrow of the pro-U.S. government of President Camille Chamoun. New leaders elected during the four-month U.S. military operation and their successors proved unable to chart a course for the country that avoided further civil conflict.

<sup>4</sup> Memorandum from the President's Assistant for National Security Affairs (Henry Kissinger) to President Richard Nixon, "Actions to Bolster Moderates before Arab Summit," December 23, 1969.

seek to strengthen the LAF and build its reputation as a neutral body capable of weakening a different set of anti-U.S. non-state groups.

Lebanon's civil war erupted in 1975 over unresolved sectarian differences and the pressure of external forces, including the Palestinians, Israel, and Syria. Hundreds of thousands were killed and displaced over 14 years of brutal war among a bewildering array of forces with shifting allegiances. Syria sent military forces into Lebanon in 1976 and they remained until 2005. Israel sent military forces into Lebanon in 1978 and again in 1982; they remained in southern Lebanon until 2000. The United States deployed forces to Lebanon in the early 1980s as part of a multinational peacekeeping force. They targeted anti-U.S. forces and were withdrawn under considerable congressional scrutiny after 241 U.S. personnel were killed in the 1983 U.S. barracks bombing.

U.S. policy toward Lebanon since the end of the Lebanese civil war has reflected a desire to see the country move toward the vision outlined by Lebanese leaders in 1989 at Taif, Saudi Arabia, where they met to reach a national agreement to end the fighting. Among the goals enshrined in the Taif Agreement were the withdrawal of foreign military forces from Lebanon, the disarming of non-state groups, and the development of strong national security institutions and non-confessional democracy. Successive U.S. Administrations have embraced the Taif principles, while acting to limit opportunities for U.S. adversaries and anti-Israeli forces.

Syria's security presence in Lebanon was acknowledged at Taif, but security negotiations called for in the agreement did not occur until Syrian forces withdrew from Lebanon following the assassination of former Lebanese Prime Minister Rafiq Hariri in 2005. Hariri's assassination and the mass national demonstrations that followed marked a defining political moment and led to the emergence of the pro-Asad "March 8" coalition and the anti-Asad "March 14" coalition that now dominate the political scene (**Figure 3**). The intervening years have been marked by conflict, political gridlock, and further assassinations of anti-Syria figures. Each coalition has held power, although attempts at unity government have proven fruitless, with both sides periodically resorting to resignations, mass protests, and boycotts to hamper their rivals. External players such as Syria, Iran, Israel, Turkey, Saudi Arabia, Qatar, the United States, and others have all struggled for influence.

**Figure 2. Location of Palestinian Refugee Camps in Lebanon**



**Source:** United Nations Relief Works Agency/Congressional Research Service.



### Figure 3. Lebanon's Political Coalitions

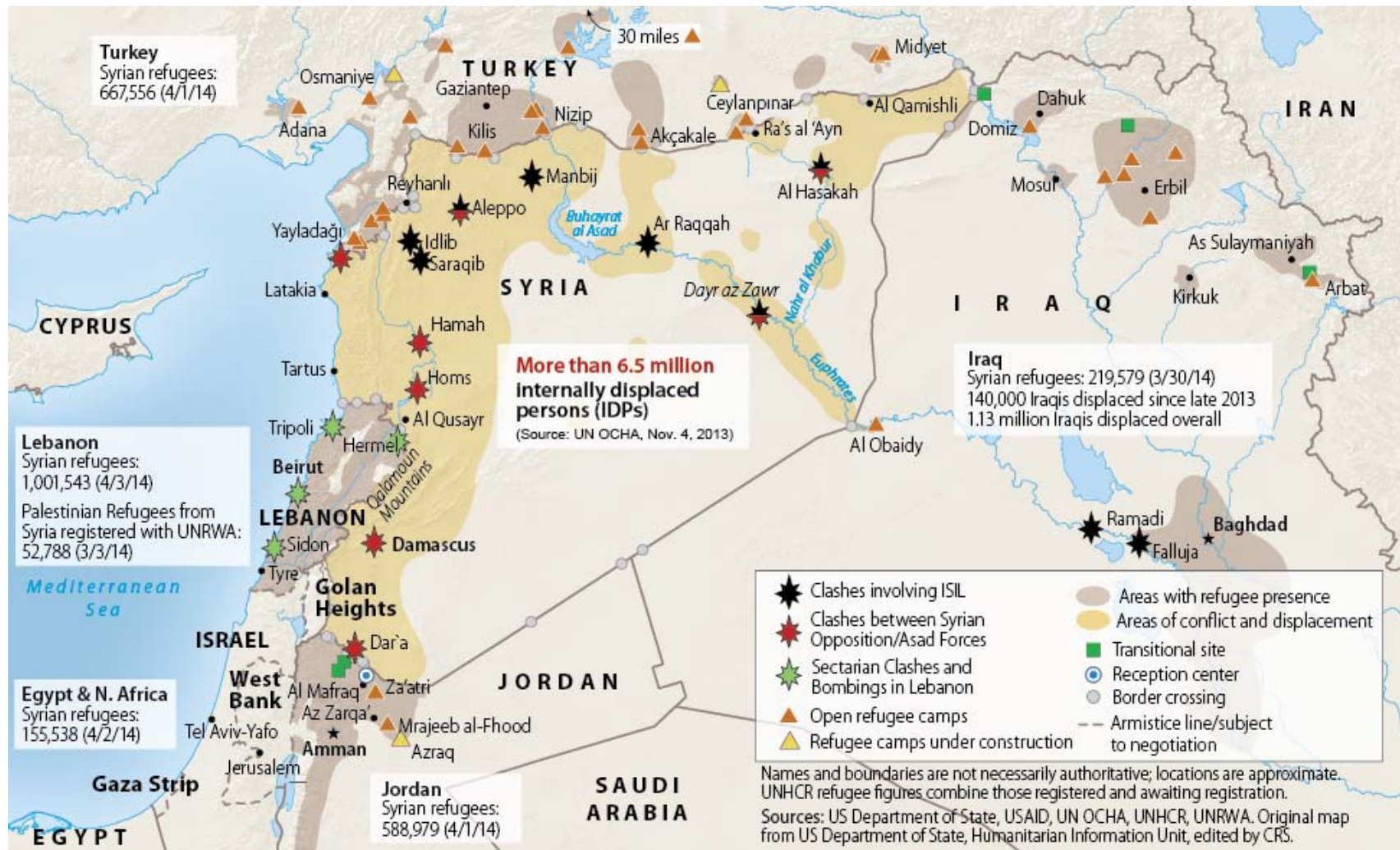
Reflects Those Parties with Largest Number of Seats in Parliament





**Figure 4. Map of Conflict and Displacement in Lebanon, Syria, and Iraq**

As of April 2014



## Recent Developments

The war in neighboring Syria, the influx of Syrian refugees, Hezbollah's intervention on behalf of President Asad, Lebanese Sunni support for Syrian opposition forces and a wave of sectarian violence and terrorist attacks by Sunni extremist groups have heightened tensions and complexities surrounding all of these issues. As of April 2014, U.S. officials continue to call on Lebanese leaders to avoid a political vacuum in the midst of volatile regional conditions.

## Politics and Planned Elections

Lebanese leaders were unable to agree on the formation of a new cabinet from March 2013 through mid-February 2014, when parties accepted an inclusive cabinet arrangement proposed by Prime Minister-designate Tammam Salam. The prior cabinet, led by Najib Miqati, resigned amid disputes over terms for a parliamentary election law and security issues. That law and several security issues remain unresolved as the Salam cabinet begins its work. In the new cabinet (Table 1), two-thirds of the 24 cabinet positions are distributed equally among the March 8 and March 14 coalitions (**Figure 3**), with one-third of the seats reserved for nominally non-affiliated centrists. Some centrists are considered to be loyal to one of the two coalitions and may support efforts to force the cabinet's resignation.

Parliament endorsed the cabinet's ministerial policy statement on March 20.<sup>5</sup> The statement "stresses the state's unity, power and exclusive authority in all matters pertaining to the general policy of the country, including the protection of Lebanon and the preservation of its national sovereignty." It further identifies as among the cabinet's most important challenges "the creation of the appropriate atmosphere for running the presidential elections as scheduled" by late May 2014. Parliament Speaker Nabih Berri reportedly has formed consultative committees to determine whether a required parliamentary quorum can be assembled to elect a new president.<sup>6</sup>

Political negotiations related to the presidential contest have begun, with a series of prominent Christian candidates from across the political spectrum considered possible candidates. Army commander General Jean Kahwaji and Central Bank Governor Riad Salameh are considered potential centrist candidates; Free Patriotic Movement leader Michel Aoun and Marada Movement leader Sleiman Franjeh are seen as possible pro-March 8 candidates. Lebanese Forces leader Samir Geagea has announced his candidacy, and Kataeb party leader Amine Gemayel is considered another possible pro-March 14 candidate. Gemayel and Geagea have been outspoken in their recent criticism of Hezbollah's military intervention in Syria.

<sup>5</sup> Unofficial English Translation, *Executive Magazine* (Beirut), March 28, 2014.

<sup>6</sup> Lebanon's constitution requires the Speaker of Parliament to convene Parliament to elect a new president prior to the constitutional end of the president's six-year term. Differences of opinion over the required quorum precipitated a constitutional crisis in 2007, prior to President Sleiman's election. According to one interpretation, at least two-thirds of the 128 members of Parliament must be present in an election session, and a candidate must receive two-thirds of the votes cast to win. If any candidate fails to receive two-thirds in the first session, a candidate must receive the support of a majority of Parliament plus one vote to win in a second session. For background, see Issam Michael Saliba, *Lebanon: Presidential Election and the Conflicting Constitutional Interpretations*, U.S. Law Library of Congress, October 2007.

**Table 1. February 2014 Cabinet led by Prime Minister Tammam Salam**

March 8			Centrist/Non-Aligned			March 14		
Minister	Party	Sect	Minister	Party	Sect	Minister	Party	Sect
Finance Minister Ali Hassan Khalil	Amal	Shia	Prime Minister Tammam Salam	-	Sunni	Interior Minister Mohammed Machnouk	Future	Sunni
Foreign Affairs Min. Gebran Bassil	FPM	Maronite Christian	Deputy Prime Minister and Defense Minister Samir Muqbil	-	Greek Orthodox	Justice Minister Ashraf Rifi	Future	Sunni
Min. of State for Parliamentary Affairs Mohammed Fneish	Hezbollah	Shia	Min. for Displaced Affairs Alice Chabtini	-	Maronite Christian	Telecommunication Min. Boutros Harb	Independent	Maronite Christian
Industry Minister Hussein Hajj Hassan	Hezbollah	Shia	Health Minister Wael Abou Faour	PSP	Druze	Labor Minister Sejaan Azzi	Kataeb	Maronite Christian
Public Works and Transport Minister Ghazi Zoaiter	Amal	Shia	Environment Minister Mohammed Machnouk	-	Sunni	Social Affairs Minister Rashid Derbas	Future	Sunni
Culture Minister Rony Arayji	Marada	Maronite Christian	Information Minister Ramzi Jreij	Kataeb	Greek Orthodox	Tourism Minister Michel Pharaon	Independent	Catholic
Education Minister Elias Abou Saab	FPM	Greek Orthodox	Sports and Youth Minister Abdelmutaleb Hannawi	-	Shia	Economy and Trade Min. Alain Hakim	Kataeb	Catholic
Energy Minister Arthur Nazarian	Tashnaq	Armenian Orthodox	Agriculture Minister Akram Shouhayeb	PSP	Druze	Min. of State for Admin. Reform Nabil de Freij	Future	Latin Christian

**Source:** U.S. government reporting, Lebanese Ministry of Information National News Agency, and Lebanese media.

**Note:** Transliterations of names into English may vary considerably by source.

The key issue in the presidential election is the continuation of the relatively centrist orientation of the presidency under Michel Sleiman, which U.S. officials have credited with having helped steer Lebanon through the turbulent and politically divisive period since 2008. As the conflict in Syria has destabilized Lebanon and as Hezbollah's blatant defiance of the government's policy of dissociation from the Syria conflict has grown, Sleiman has made increasingly critical statements about Hezbollah's activities and has advocated for more direct assertions of state authority in security affairs. Hezbollah has taken issue with President Sleiman's recent statements, and Sleiman rejected Hezbollah's boycott of a recently held National Dialogue session by saying,

... we must complete the discussion of a defense strategy that can protect the country from the Israeli dangers and the threat of rampant arms and terrorism.... We called ... to continue discussion of the defense strategy with the aim of benefiting from the national and resistance capabilities, bolstering the Lebanese Army's capability and restoring the Army's exclusive authority over arms. This will enhance [the military's] capacity in uprooting terrorism.... No red lines can be drawn for the Army.

Lebanon's constitution requires that a cabinet resign following the election of a new president, and statements by Prime Minister Salam and cabinet members acknowledge that the current cabinet may have a very limited tenure. However, if presidential elections are delayed, the cabinet could become more involved in preparations for parliamentary elections planned for November 2014. In any event, the recently endorsed ministerial policy statement includes a pledge to seek a new parliamentary election law. Any cabinet would similarly have to resign following parliamentary elections, meaning that even if elections occur, a series of potentially contentious cabinet formation negotiations may lie ahead.

## **Security Challenges**

The 10-month 2013-2014 cabinet dispute was one symptom of the deeper current of mistrust and animosity prevailing among some Lebanese political leaders and citizens and producing systemic paralysis in the country's key political institutions. The ongoing war in neighboring Syria is severely exacerbating these tensions, particularly given the direct support of armed Lebanese militia groups for opposing sides in that war and the war-related influx of more than 1 million predominantly Sunni refugees. A series of high-profile bombings and armed clashes (see **Table 2**) have shaken Lebanon in the past year, increasing sectarian tensions and straining already fragile security conditions. Hezbollah's participation in the Syrian conflict on the side of the Assad government antagonizes its critics, who allege that Hezbollah has caused the spread of the conflict into Lebanon. In December 2013, Jabhat al Nusra leader Abu Mohammad al Jawlani described Hezbollah's overt intervention in Syria as having "opened the door wide open for us to enter Lebanon and rescue the Sunni people in Lebanon." Hezbollah claims it is fighting extremist groups in Syria that threaten all Lebanese. Its leaders argue that extremists will target Lebanon even if Hezbollah withdraws, and its supporters are critical of Lebanese Sunni support for extremism at home and in Syria.

**Table 2. Chronology of Select Violence, Attacks, and Related Developments**

October 2012	Internal Security Forces (ISF) intelligence chief Brigadier General Wissam al Hassan is killed in a car bombing in Beirut. Hassan is reported to have uncovered a plot by a pro-Syrian former cabinet minister to smuggle explosives into Lebanon and target anti-Asad figures.
May 2013	Hezbollah Secretary General Hassan Nasrallah delivers speech acknowledging Hezbollah's direct participation in Syrian conflict, states purpose is to defend Lebanon from Sunni extremists. Sectarian clashes kill and wound Lebanese Sunnis and Alawites fighting in Tripoli. Unknown forces launch two rockets into southern Beirut.
June 2013	Hezbollah forces assist the Syrian army in recapturing the city of Qusayr. Lebanese Armed Forces clash with supporters of Salafist Sunni cleric Ahmad al Asir and members of Jund al Sham and Fatah al Islam, 16 troops are killed. A rocket attack causes power outages in southern Beirut.
July 2013	A bomb wounds more than 50 people in the Beirut neighborhood of Bir al Abed. Jabhat al Nusra leader Abu Mohammad al Jawlani (Golani) declares a "new era for the Sunnis in the region" and warns that "the practices of Iran's party in Syria and Lebanon [Hezbollah] nowadays will not go unpunished." <sup>7</sup> Baghdadi further warned "those who claim to be Shia in Lebanon against being dragged by Iran to a war they would not endure. I say that your rejection and denial of Iran's party will rescue you from unnecessary afflictions."
August 2013	Two rockets fall near the Presidential Palace east of Beirut. A car bomb kills 30 and wounds more than 300 people in the Hezbollah stronghold of Ruwais, a southern suburb of Beirut. Hezbollah mobilizes forces to secure its bases of support in Lebanon. Car bombs kill 45 and wound more than 500 people leaving prayers at two Sunni mosques in Tripoli.
September 2013	Hundreds of military and security officers deploy to Dahieh in southern Beirut to replace Hezbollah personnel that had asserted control over the area in the wake of attacks.
November 2013	Two suicide attackers strike Iranian Embassy in Beirut, killing 23 and wounding at least 150 people. The Al Qaeda-inspired Abdullah Azzam Brigades claim responsibility.
December 2013	Jabhat al Nusra in Lebanon releases its first statement, claims responsibility (along with a group named for 20 <sup>th</sup> century Syrian Sunni militant leader Marwan Hadid) for a rocket attack on Hezbollah positions in Hermel in eastern Lebanon. Sunni attackers strike Lebanese Armed Forces officers in Sidon. Hezbollah claims to have ambushed and killed more than 30 people near Nahle entering Syria to support armed opposition groups. Former Lebanese Ambassador to the United States and former Finance Minister Mohammad Chatah is killed in a Beirut car bombing.
January 2014	Lebanese Armed Forces announce capture of Abdullah Azzam Brigades emir Majed al Majed, a Saudi national. Two suicide attacks strike the southern Beirut suburb of Haret Hreik and a third strikes Hermel. LAF captures second Azzam Brigade figure, kills another.
February 2014	Jabhat al Nusra claims responsibility for a suicide bombing attack in Hermel. Suicide attack strikes minibus bound for south Beirut neighborhood of Choueifat. Security forces arrest Azzam Brigade figures, seize explosives, suicide belts, and vehicles. Two Azzam Brigade suicide attackers strike near the Iranian cultural center in Bir Hassan south of Beirut.
March 2014	Several Israel Defense Forces soldiers are injured in a bomb attack on their vehicle near the Golan Heights, sparking a series of incidents in which IDF forces fire on suspected Hezbollah personnel, allegedly bomb a Hezbollah facility inside Syria. Hezbollah allegedly fires two rockets into Israeli-held portions of the Golan Heights. LAF personnel continue to pursue terrorism suspects, killing one suspect in a shootout. Military prosecutors recommend indictments against more than 20 individuals in relation to the August 2013 bombings in Tripoli. A car bomb kills three LAF soldiers and wounds four near the town of Aarsal. A group calling itself the Free Sunnis of the Bekaa claims responsibility.

**Source:** U.S. Government Open Source Center (OSC) reports, Lebanese media, and social media outlets.

<sup>7</sup> OSC Report TRN2013072225034533, "Syria: ...Audio by Al-Nusrah Front Leader Al-Jawlani," July 23, 2013.



Even before the recent escalation in sectarian violence and terrorist attacks, non-state actors such as Hezbollah and predominantly Palestinian extremist groups like Jund al Sham and Fatah al Islam posed a constant challenge to state security. Moreover, the Abdullah Azzam Brigade, an Al Qaeda-linked terrorist organization, was operating in the country, posing a risk to Lebanese officials, international targets, and rival groups. Joint claims of attacks and pledges of affiliation among Sunni extremist groups in Lebanon suggest that members of these groups are collaborating with both Jabhat al Nusra and ISIL in their efforts to attack Shia civilians, Hezbollah, and Lebanese security forces. The Obama Administration also has become more vocal and active in its attempts to highlight and counteract the activities of Al Qaeda-influenced terrorists in Lebanon. In December 2013, the State Department named Usamah Amin al Shihabi as a specially designated terrorist for his role in the extremist group Fatah al Islam and as the appointed head of Jabhat al Nusra's Palestinian organization in Lebanon.

As violence has escalated since mid-2013, the Lebanese Armed Forces (LAF) increasingly has been drawn into confrontations with Sunni extremist groups seeking to attack Shia communities and Hezbollah strongholds in retaliation for Hezbollah's overt pro-Asad intervention in Syria. The LAF's operations have been endorsed by a broad spectrum of political leaders in Lebanon, including prominent Sunnis. Nevertheless, the all-but-unavoidable appearance of the LAF frequently targeting Sunni militants and protecting targeted Shia communities may be giving rise to increased perceptions among some Lebanese Sunnis that the LAF is biased toward Hezbollah. National figures such as President Michel Sleiman, Sunni political leader Saad Hariri, and a number of Christian and Shia leaders continue to stress the neutrality of state security forces and the importance of the preservation of the armed forces as a national and nonsectarian institution. At the same time, President Sleiman and some Christian leaders, including Lebanese Forces leader Samir Geagea, have been assertive in recent weeks about the primacy of state security entities in national security matters.

These trends lead many non-government observers to express concern for Lebanon's stability and warn of the risk of broader conflict. Echoing these concerns, the U.S. intelligence community told Congress in its 2014 Worldwide Threat Assessment that, "Lebanon in 2014 probably will continue to experience sectarian violence among Lebanese and terrorist attacks by Sunni extremists and Hezbollah, which are targeting each-others' interests. ...Increased frequency and lethality of violence in Lebanon could erupt into sustained and widespread fighting."

## Hezbollah

Hezbollah emerged during the early 1980s, when Lebanon's Shia leaders split in their responses to the Israeli invasion and occupation of southern Lebanon in 1982. Leaders favoring a more militant response and supporting the long-term creation of an Iranian-style Islamic republic in Lebanon broke away from the then-leading *Amal*<sup>8</sup> movement and formed the *Al Amal al Islamiya* (Islamic Amal) organization. The Amal movement continued as a political, social, and militia organization and disarmed following the civil war. By leveraging direct support from Iran's Revolutionary Guards and recruiting from other revolutionary Shiite groups, Islamic Amal

<sup>8</sup> The word Amal means "hope." The name of the Amal Movement was originally derived from the Arabic acronym for the Lebanese Resistance Detachments (*Afwaj al Muqawama al Lubnaniya*), a militia founded in the mid-1970s in affiliation with Shia cleric Sayyid Musa al Sadr's Movement of the Dispossessed.



became the vanguard of the religiously inspired groups that would later emerge under the rubric of Hezbollah.

Considerable financial and training assistance from Iran allowed Islamic Amal/Hezbollah to expand from its base of operations in the Bekaa valley of eastern Lebanon to the southern suburbs of Beirut and the occupied Shiite hill towns of the south. Attacks on Israeli Defense Forces (IDF) and U.S. military and diplomatic targets allowed Islamic Amal and other Iran-supported Shiite militants to portray themselves as the leaders of resistance to foreign military occupation, while their social and charitable activities in Shiite communities solidified popular support.

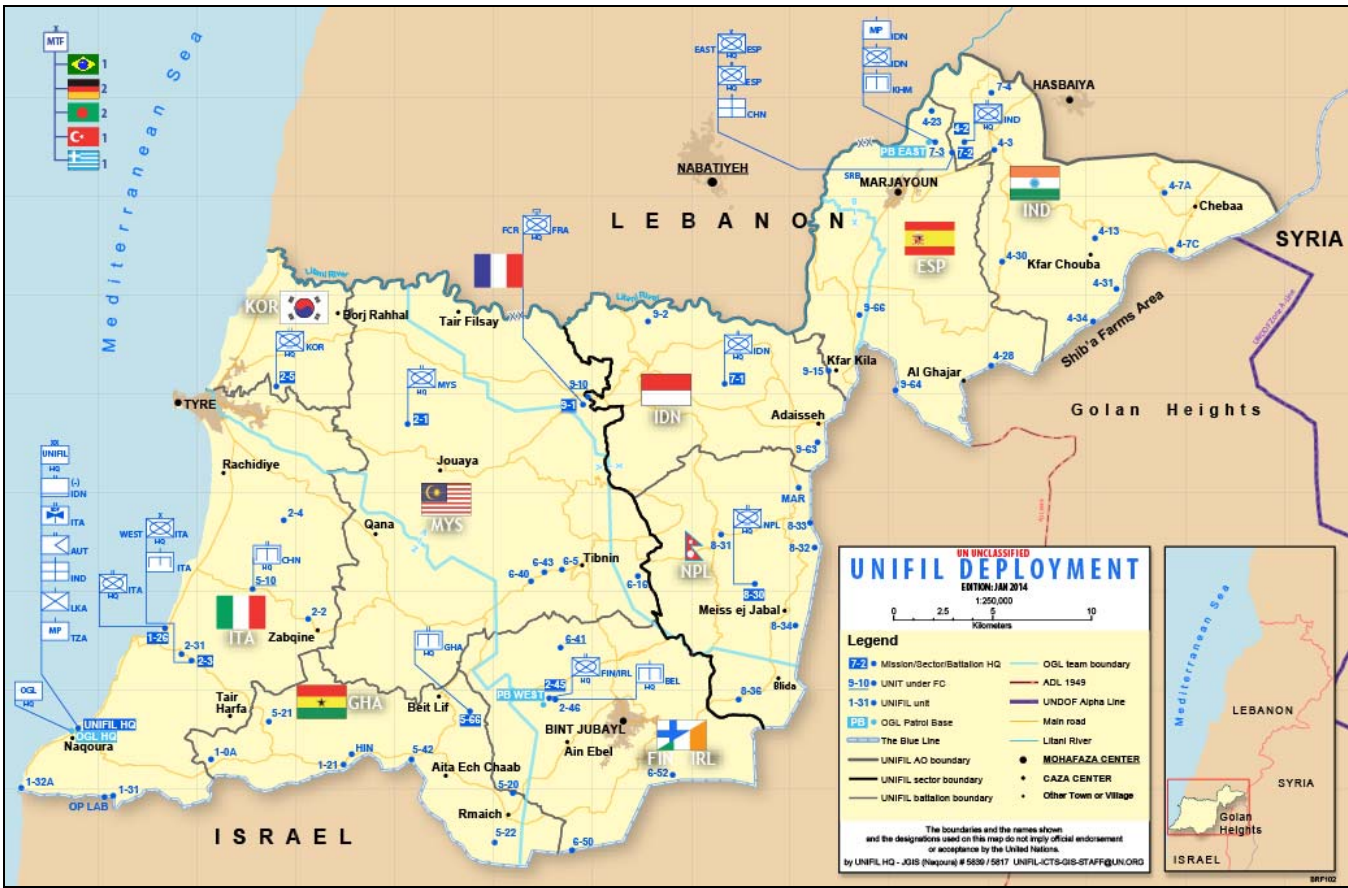
Hezbollah remained loosely organized and largely clandestine until 1985, when it released a manifesto outlining a militant, religiously conservative, and anti-imperialist platform. The document served as one of the movement's defining ideological statements until November 2009, when Hezbollah Secretary General Hassan Nasrallah issued a new political manifesto highlighting the group's continued hostility to Israel and the United States. Hezbollah leaders remain adamant that Hezbollah's military capabilities serve to defend Lebanon and should be preserved rather than dismantled.

Hezbollah has traditionally defined itself and justified its paramilitary actions as legitimate resistance to Israeli occupation of Lebanese territory and as a necessary response to the relative weakness of Lebanese state security institutions. However, Israel's withdrawal from Lebanese territory in May 2000 and the strengthening of the Lebanese Armed Forces (LAF) and Internal Security Forces (ISF) with international and U.S. support since 2006 have undermined these arguments and placed pressure on Hezbollah to adapt its rhetoric and policies. Hezbollah increasingly has pointed to disputed territory in the Shib'a Farms area of the Lebanon-Syria-Israel tri-border region, Israeli overflights of Lebanese territory, and, more recently, to Sunni extremist groups operating in Syria and Lebanon as justifications for its posture (**Figure 5**).

Hezbollah's Lebanese critics share its objections to Israeli military incursions in Lebanon and have long emphasized the need to assert control over remaining disputed areas with Israel, such as the Shib'a Farms, the Kfar Shouba Hills, and the northern part of the village of Ghajar (**Figure 5**). However, current Hezbollah policy statements suggest that, even if disputed areas were secured, the group would seek to maintain a role for "the resistance" in providing for Lebanon's national defense and would resist any Lebanese or international efforts to disarm it as called for in the 1989 Taif Accord that ended the civil war and more recently in U.N. Security Council Resolutions 1559 (2004) and 1701 (2006). The United States contributes more than \$100 million annually (**Table 3**) for the United Nations Interim Force in Lebanon (UNIFIL), established in 1978 by Security Council Resolutions 425 and 426, as modified by Resolution 1701.

Hezbollah enjoys considerable but not uniform appeal among members of the Lebanese Shia constituency, which is widely assumed to have become a larger percentage of the Lebanese population than it was when the current proportional arrangements were established. With political endorsement from Iran, Hezbollah has participated in elections since 1992 and it has achieved a modest, variable, yet generally steady degree of electoral success. Hezbollah won 10 parliament seats in 2009 and now holds two cabinet posts: Minister of State for Parliamentary Affairs Mohammed Fneish and Industry Minister Hussein Hajj Hassan (**Table 1**). In recent years, Hezbollah candidates have fared well in municipal elections, winning seats in conjunction with allied Amal party representatives in many areas of southern and eastern Lebanon.

As of January 2014



**Source:** United Nations Force in Lebanon (UNIFIL), modified by CRS. Names and boundaries are not necessarily authoritative; locations are approximate. Boundary lines do not imply endorsement and may be subject to negotiation. As of March 18, 2014, UNIFIL reported that its force consisted of 10,284 peacekeepers from 37 troop-contributing countries. For details, see <http://unifil.unmissions.org>.

Hezbollah, like other Lebanese confessional groups, vies for the loyalties of its Shiite constituents by operating a vast network of schools, clinics, youth programs, private business, and local security—which many Lebanese refer to as “a state within the state.” Though the organization’s policies promote a distinct Shiite religious identity, over time, even Hezbollah has had to accommodate its fundamentalist religious messaging to Lebanon’s pluralistic culture. This has required a gradual shift from the group’s Khomeinist roots toward a more contemporary Islamist nationalist approach. Hezbollah’s ties to Iran and its status as a defender of Lebanese security and priorities have been placed under increased scrutiny in Lebanon because of the group’s military intervention in Syria on behalf of the Iran-aligned Asad government. Hezbollah’s intervention in Syria is leading its rivals to become more vocal in their criticism of the group, and popular criticism also is reportedly growing across sectarian lines.

## Hezbollah’s Military Capabilities and Intervention in Syria<sup>9</sup>

The central security question for Lebanon since the departure of Syrian forces from Lebanon in 2005 has been the future of Hezbollah’s substantial military arsenal and capabilities, which rival and in some cases exceed those of Lebanon’s armed forces and police. Debate on Hezbollah’s future and Lebanon’s national defense posture intensified after Hezbollah provoked the 2006 war with Israel, which brought destruction to large areas of Lebanon. Following an attempt in 2008 by government forces to assert greater security control in the country, Hezbollah used force to confront other Lebanese factions. During this period, Hezbollah operatives are alleged to have trained Iraqi militia groups and participated in attacks on U.S. and coalition forces in Iraq in cooperation with Iranian forces. U.S. officials report that Hezbollah has provided assistance and training to Shia militia forces in Syria, and in 2013, it overtly intervened in Syria on behalf of the Asad government. These actions illustrate the lengths to which Hezbollah leaders are willing to go to defend their prerogatives and position. These issues dominate Lebanese debates and are rooted in decades-old struggles to define Lebanon’s political system, regional orientation, and security institutions.

In August 2012, the U.S. Treasury Department placed additional sanctions on Hezbollah for providing training, advice, and logistical support to the Syrian government. U.S. officials noted that Hezbollah has helped the Syrian government push rebel forces out of some areas in Syria. Hezbollah Secretary General Hassan Nasrallah, who was personally sanctioned for his role in overseeing Hezbollah’s assistance to Damascus, publicly acknowledged Hezbollah’s involvement in Syria in May 2013. As of April 2014, Hezbollah fighters remained active in the Qalamoun region northwest of Damascus (**Figure 4**), after they reportedly assisted in the Asad government’s recapture of the opposition stronghold of Yabroud.<sup>10</sup> A senior Israeli military official in March 2014 stated that Hezbollah maintains 4,000 to 5,000 fighters in Syria.<sup>11</sup>

Hezbollah has worked with the Syrian military to protect regime supply lines by helping to clear rebel-held towns along the Damascus-Homs stretch of the M-5 highway.<sup>12</sup> Hezbollah personnel in 2013 played significant roles in battles around Al Qusayr and the Qalamoun Mountains region, in which rebel presence along the highway threatened the government’s ability to move forces and

<sup>9</sup> Carla Humud, Analyst in Middle Eastern and African Affairs contributed to this section.

<sup>10</sup> “Drastic rise in Hezbollah death toll as party battles for Yabroud,” *The Daily Star*, March 10, 2014.

<sup>11</sup> “Israel watches warily as Hezbollah gains battle skills in Syria,” *New York Times*, March 10, 2014.

<sup>12</sup> “Syrian Army goes all-in to take back strategic highway,” *Christian Science Monitor*, December 2, 2013.

to access predominantly Alawite strongholds on the coast.<sup>13</sup> Hezbollah forces on the Lebanese side of the border reportedly monitor and target rebel positions near the border that aid attacks in Syria and Lebanon.

### Assassinations and the Special Tribunal for Lebanon (STL)

The October 2012 killing of Internal Security Forces (ISF) intelligence director Brigadier General Wissam Hassan and the December 2013 killing of former Finance Minister Mohammad Chatah have returned the issue of political assassinations to the forefront of national politics in Lebanon. A string of reported assassination attempts targeting several anti-Asad politicians also has created controversy. In early 2012, a sniper attack was reported against the March 14-aligned leader of the Lebanese Forces bloc, Samir Geagea, who continues to allege that unidentified unmanned surveillance drones have been spotted near his compound. In July 2012, March 14-aligned independent Boutros Harb reported a failed attempt to plant explosives in his office building. In August, former information minister Michel Samaha was arrested on charges of aiding a wider plot to assassinate Lebanese figures. Many Lebanese view the ISF's role in the assassination investigations and Samaha's arrest as having motivated unidentified parties to assassinate Wissam Hassan. Suspicion in the Hassan case and other attempted assassinations fell broadly on the Asad government and its Lebanese allies. The killing precipitated renewed confrontation over the cabinet of then-Prime Minister Najib Miqati, which subsequently resigned.

Throughout this period, the **Special Tribunal for Lebanon (STL)**—formed to investigate the 2005 assassination of former Prime Minister Rafiq Hariri and others—has remained controversial but has continued its work with Lebanese and U.S. government financial support.<sup>14</sup> After the Lebanese government submitted a request in December 2005 that the United Nations convene a tribunal of “international character” to investigate and prosecute those responsible for political assassinations in Lebanon, then-U.N. Secretary General Kofi Annan negotiated with the government of then-Prime Minister Fouad Siniora regarding the mandate for a tribunal and reached an agreement in January 2007. A majority of Lebanese parliamentarians then petitioned Annan to convene a tribunal,<sup>15</sup> and the United Nations Security Council created the STL as an independent judicial organization in Resolution 1757 of May 2007. The STL has worked from its headquarters in Leidschendam, the Netherlands, since March 2009, and consists of three chambers, prosecutors and defense offices, and an administrative Registrar. From April 2005 to February 2009, a United Nations International Independent Investigation Commission (UNIIC) assisted Lebanese authorities in gathering evidence related to the assassination of former Prime Minister Hariri and others. UNIIC's findings were transferred to the STL Prosecutor's office in 2009.

To date, the STL has indicted five members of Hezbollah on charges of assassinating former Prime Minister Hariri. Hezbollah disavows the allegations and has refused to turn over the named individuals. The STL's most recent annual report, released in late February, noted the normal workings of the Tribunal as it entered the trial stage of its first case, *Prosecutor v. Ayyash, Badreddine, Oneissi and Sabra*. A fifth suspect, Hassan Habib Merhi, has now been added to the first case. The STL Trial Chamber heard testimony against the five accused in absentia in February 2014 and consulted with defense attorneys and Lebanese officials in March. The STL credits the Lebanese government's “multiple attempts ... to find the accused at their last known residences, places of employment, family homes and other locations.”<sup>16</sup>

The STL annual report also confirmed that “[t]he Office of the Prosecutor has continued its investigations into the attacks against Messrs Marwan Hamadeh, George Hawi and Elias El Murr, which the Pre-Trial Judge previously determined fall within the Tribunal's jurisdiction.” The Hassan and Chatah cases will not be subject to the jurisdiction of the STL unless the Lebanese government and the U.N. Security Council decide to refer the cases for STL prosecution. That appears unlikely under current political and security circumstances in Lebanon.

<sup>13</sup> “Hezbollah and the fight for control in Qalamoun,” Institute for the Study of War, November 26, 2013.

<sup>14</sup> The government of Lebanon is responsible for 49% of the STL budget, with other governments responsible for the remaining 51%. For more information, see “STL Close-up,” at [http://www.stl-tsl.org/images/stories/About/STL\\_Close-up\\_EN.pdf](http://www.stl-tsl.org/images/stories/About/STL_Close-up_EN.pdf).

<sup>15</sup> See “Letter dated 14 May 2007 from the Prime Minister of Lebanon to the Secretary-General” in U.N. Document S/2007/281.

<sup>16</sup> Special Tribunal for Lebanon, Decision to Hold Trial in Absentia, Case STL-11-01, February 1, 2012.

## **U.S. Assistance and Issues for Congress**

Following Syrian withdrawal from Lebanon in 2005 and the war between Israel and Hezbollah in the summer of 2006, the George W. Bush Administration requested and Congress appropriated a significant increase in U.S. assistance to Lebanon. Since 2006, the United States has granted over \$1 billion in assistance to Lebanon, with the following goals:

- Supporting the implementation of United Nations Security Council resolutions, including resolutions 1559 and 1701;
- Reducing sectarianism and unifying national institutions;
- Providing military equipment and basic supplies to the Lebanese Armed Forces (LAF);
- Providing support to the Internal Security Forces (ISF) for training, equipment and vehicles, community policing assistance, corrections reform, and communications; and
- Increasing economic opportunity.

U.S. security assistance since 2006 has been administered in line with multi-year, bilaterally-agreed and congressionally-notified development plans to modernize and equip the LAF and ISF to serve as effective and nonsectarian guarantors of security.

Current U.S. assistance to the LAF includes Section 1206 funding for border security and counterterrorism programs, International Military Education and Training (IMET) programs, the provision of Excess Defense Articles, and Foreign Military Financing programs that equip and train LAF units. From June 2012 through May 2013, the United States supplied more than \$180 million worth of equipment and weaponry to the LAF, including “aircraft, a naval vessel, armored and unarmored vehicles, guns, ammunition, equipment, and medical supplies.”

The LAF’s multi-year capability development plan reportedly envisions a further expansion of the force beyond its current 65,000 personnel and further improvements in its armaments and logistical support capabilities. The Obama Administration believes that “international donors can complement each other’s efforts in order to maximize the growth of needed capabilities for an armed force whose troops are badly stretched across the country.” In December 2013, Saudi Arabia pledged \$3 billion to finance French training and equipment programs for the LAF, and the Administration remains “in contact with the governments of Saudi Arabia and France regarding this assistance to promote maximum coordination.”<sup>17</sup> Press reports suggest that U.S. engagement with Saudi, French, and Lebanese interlocutors regarding the Saudi funding pledge have focused on ensuring that weapons systems delivered do not threaten Israel’s security and or duplicate current U.S. plans.

The April meeting of the International Support Group for Lebanon in Rome, Italy, is expected to address the needs of the LAF and solicit further international pledges of support for its development. In this context, Acting Deputy Assistant Secretary of State for Near Eastern Affairs Lawrence Silverman has stated that the Administration seeks “to increase [U.S.] assistance in

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<sup>17</sup> Testimony of Acting Deputy Assistant Secretary of State for Near Eastern Affairs Lawrence Silverman before the Senate Foreign Relations Subcommittee on Near Eastern and South and Central Asian Affairs, February 25, 2014.



order to modernize the LAF, and in particular to build its capabilities to secure its own borders with Syria.” The Administration’s FY2015 budget request for foreign operations includes a request for increased Foreign Military Financing assistance to Lebanon, offset by declines in Economic Support Fund assistance and International Narcotics Control and Law Enforcement Assistance.

**Table 3. U.S. Assistance to Lebanon and UNIFIL Contributions, FY2010-FY2015**

Regular and supplemental foreign operations and defense appropriations; current year \$U.S. in millions

Account	FY2010	FY2011	FY2012	FY2013 (Actual)	FY2014 (Estimate)	FY2015 Request	Account Total
ESF	109.00	84.73	84.73	81.20	60.00	58.00	477.66
IMET	2.50	2.48	2.38	2.849	2.25	2.25	14.70
I206	23.00	-	-	8.70	9.30	-	32.30
FMF	100.00	74.85	75.00	71.21	75.00	80.00	476.06
INCLE	20.00	19.50	24.00	15.46	13.89	10.00	102.85
NADR	6.80	4.80	5.05	5.295	4.76	4.96	31.67
<b>Annual Total</b>	<b>261.30</b>	<b>186.36</b>	<b>191.16</b>	<b>176.01</b>	<b>165.20</b>	<b>155.21</b>	<b>1135.24</b>
UNIFIL Contributions	186.40	233.08	152.06	147.63	156.10	156.00	883.64

**Source:** U.S. Department of State, Congressional Budget Justification for Foreign Operations and Contributions to International Peacekeeping Activities. This table includes funds from the following accounts: Foreign Military Financing (FMF), International Narcotics Control and Law Enforcement Assistance (INCLE), and International Military and Education Training (IMET). Funding for “I206” refers to the Department of Defense Global Train and Equip program, authorized by Section 1206 of the National Defense Authorization Act for Fiscal Year 2006 (P.L. 109-163), as amended.

**Note:** U.S. contributions to the Special Tribunal for Lebanon have been drawn from the ESF account.

Recent U.S. investment in improvements in Lebanon’s border surveillance and control capabilities has proven particularly relevant in light of the porous nature of the Syrian-Lebanese border and its exploitation by various forces involved in the Syrian conflict and in terrorist attacks inside Lebanon. Over the long term, U.S. officials intend to build an apolitical, competent state security apparatus to improve internal stability and public confidence in the LAF and ISF. Such public confidence could in theory create space for the Lebanese government to address more complex, politically sensitive issues ranging from political reform to developing a national defense strategy.

A more fundamental, if less often acknowledged, hope among some U.S. officials and some Members of Congress has appeared to be that building up the LAF might eventually enable the Lebanese government to contain, or even potentially dismantle, Hezbollah’s military capabilities. Similar hopes were advanced in the 1970s, but U.S. assistance proved unable to sufficiently empower the LAF to take action against the Palestinian *Fedayeen*. The political consequences of LAF confrontations with the Palestinians contributed to the outbreak of civil conflict, which in turn led to foreign intervention in the civil war that followed.



## Legislation in the 112<sup>th</sup> and 113<sup>th</sup> Congress

During the 112<sup>th</sup> Congress, some Members questioned the advisability of funding U.S.-sponsored initiatives in Lebanon at prevailing levels, citing both U.S. budgetary constraints and Hezbollah's then-increased participation in the Lebanese government.<sup>18</sup> Since FY2012, Congress has enacted conditions in annual appropriations legislation that have prohibited U.S. assistance to the LAF if it is controlled by a terrorist organization.<sup>19</sup> LAF command rests with General Jean Kahwaji (Maronite Christian), who is not a Hezbollah member. Samir Muqbil (Greek Orthodox Christian) of the centrist block serves as Defense Minister and Deputy Prime Minister in the Salam cabinet.

Most recently, Section 7041(e) of the FY2014 Consolidated Appropriations Act (P.L. 113-76) carries forward the terrorism-related prohibition on the use of funds appropriated under the State Department and Foreign Operations division of the act, and limits the use of U.S. Foreign Military Financing (FMF) account-funded assistance to specific purposes. Those purposes are "to professionalize the LAF and to strengthen border security and combat terrorism, including training and equipping the LAF to secure Lebanon's borders, interdicting arms shipments, preventing the use of Lebanon as a safe haven for terrorist groups, and to implement United Nations Security Council Resolution 1701." The act requires the Administration to submit to the Appropriations Committees "a detailed spend plan, including actions to be taken to ensure that equipment provided to the LAF is used only for the intended purposes," as well as regular notification of the Appropriations Committees of planned obligations of funds for Lebanon programs, including any lethal assistance. While some Members support greater conditionality on aid to the LAF, others suggest that the best way to weaken Hezbollah and Sunni extremist groups is to provide a military and security counterweight by continuing to assist the LAF.

## Syrian Refugees in Lebanon

As of April 3, 2014, there were 1,001,543 Syrian refugees registered with UNHCR or awaiting registration in Lebanon—representing a 267% increase in the number of registered refugees in just 12 months.<sup>20</sup> Lebanese officials estimate that the actual number may be as much as 30% higher, which would make the overall registered and nonregistered refugee population equivalent to nearly one-third of Lebanon's population. Of those registered and awaiting registration, approximately 34% are in the eastern governorate of Bekaa, 26% are in Beirut and Mount Lebanon, 13% are in South Lebanon, and 27% are in North Lebanon. Syrian refugees in Lebanon are not collocated in fixed camps because of Lebanese sensitivities about establishing potentially permanent settlements for refugee populations. As such, refugees from Syria have sought shelter and services in more than 1600 communities across Lebanon, and U.S. officials report that "[s]chools have moved to double-shifts to accommodate Syrian children, hospital beds are filled

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<sup>18</sup> H.R. 2215, the Hezbollah Anti-Terrorism Act (HATA), would have limited certain types of assistance to the LAF while Hezbollah is part of the governing coalition in Lebanon. The bill did not preclude supporting programs that foster democracy and rule of law, educational funding, or LAF training through International Military Education and Training (IMET). Representative Berman later offered HATA as an amendment to H.R. 2583, the Foreign Relations Authorization Act, which was reported by the House Committee on Foreign Affairs (H.Rept. 112-223).

<sup>19</sup> In December 2011, P.L. 112-74, the Consolidated Appropriations Act of 2012, provided that the \$100 million in Foreign Military Financing (FMF) funds appropriated in FY2012 for the LAF could not be allocated to the LAF if it is controlled by a foreign terrorist organization (such as Hezbollah).

<sup>20</sup> According to UNHCR data, 953,626 Syrian refugees had registered in Lebanon by March 31, 2014, and 259,503 Syrian refugees had registered by April 3, 2013.

by Syrian patients, rents have risen and wages have fallen.”<sup>21</sup> In December 2013, Lebanon’s Ambassador to the United States said in Senate testimony that

The impact on the country so far is deep and threatens to unravel the country economically, politically, and socially. The World Bank’s impact assessment estimates the total economic loss to the country to be around \$7.5 billion for the period extending from 2012 to 2014. Unemployment is likely to reach 20 percent as 324,000 Lebanese plunge into unemployment. Exports have plummeted and the 20 percent growth rate in 2010 has turned into a minus 1 percent decline in 2012. Tourism tells the same story with the increase of 20 percent in October 2010, also turned into a disastrous 30 percent decline in October 2012. The impact on the budget has been severe. Direct budgetary support needed to maintain the same level of government services is \$2.5 billion. The direct impact on budget revenues is a decline of \$1.5 billion. In addition to government needs and the needs of the local community, there are also humanitarian needs related to the crisis. This was estimated at \$1.7 billion for 2013, 32 percent of which has been funded so far. The price of shouldering the Syrian crisis is proving too much to bear for Lebanon.<sup>22</sup>

As of April 2014, the Administration reported that it had provided \$340.7 million in humanitarian assistance for Syrian refugees and host communities in Lebanon since the beginning of the conflict in Syria.<sup>23</sup> Administration officials report they are “working with Lebanon to identify additional ways we can help address deteriorating economic conditions and gaps in the delivery of important services, particularly in the health and education sectors.”<sup>24</sup> Of the \$340.7 million identified to date, the Administration announced in January 2014 that \$76 million in assistance would be allocated for additional efforts in Lebanon. These funds support the provision of immediate cash assistance for food cards, rent assistance, education, healthcare and shelter assistance and basic relief items like blankets, heaters, and hygiene kits by U.N. and U.S. partner entities. In addition, U.S. funding will support “job placement and expanded vocational training programs” for refugees and host communities, including for “women and vulnerable groups.”<sup>25</sup> U.S. support to the United Nations Relief and Works Agency (UNRWA) in Lebanon also provides cash assistance, relief supplies, education, and medical care to more than 50,000 Palestinian refugees that have fled Syria and joined already overcrowded Palestinian camps and Lebanese communities.

## **Eastern Mediterranean Energy Resources and Disputed Boundaries**

In 2010, the U.S. Geological Survey estimated that there are considerable undiscovered oil and gas resources that may be technically recoverable in the Levant Basin, an area that encompasses coastal areas of Syria, Lebanon, Israel, Gaza, and Egypt and adjacent offshore waters.<sup>26</sup> Israel has verified that some of these resources are economically recoverable, and natural gas production is

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<sup>21</sup> Testimony of Assistant Secretary of State for Population, Refugees and Migration Anne Richard before the Senate Appropriations Subcommittee on State, Foreign Operations and Related Programs, December 10, 2013.

<sup>22</sup> Testimony of Ambassador of Lebanon to the United States Antoine Chedid before the Senate Appropriations Subcommittee on State, Foreign Operations and Related Programs, December 10, 2013.

<sup>23</sup> CRS communication with USAID and State Department personnel, April 2014.

<sup>24</sup> Testimony of Assistant USAID Administrator Nancy Lindborg before the Senate Judiciary Subcommittee on Constitution, Civil Rights and Human Rights Tuesday, January 7, 2014.

<sup>25</sup> USAID Fact Sheet, U.S. Humanitarian Assistance in Response to the Syrian Crisis, January 15, 2014.

<sup>26</sup> USGS, Assessment of Undiscovered Oil and Gas Resources of the Levant Basin Province, Eastern Mediterranean, March 2010.

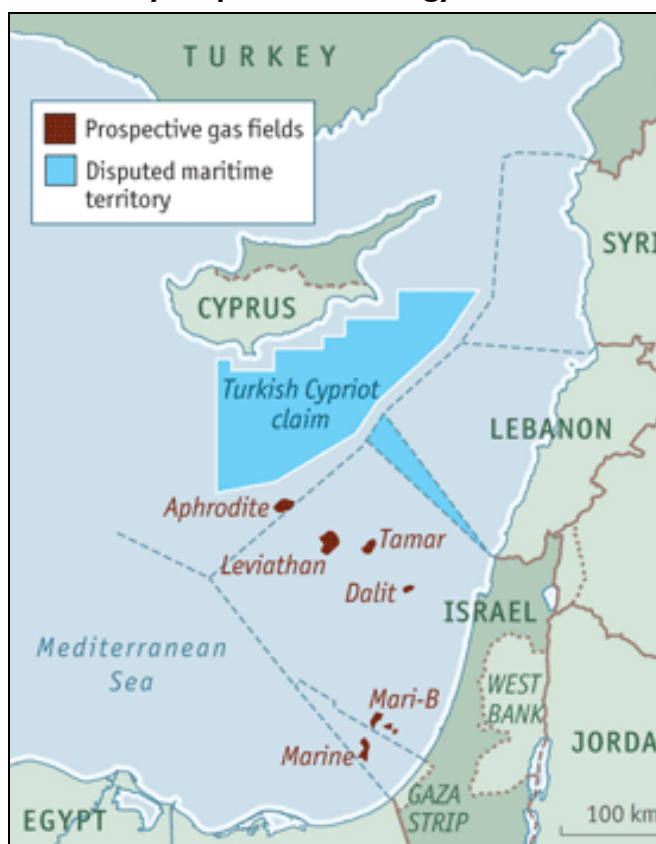
underway from offshore Israeli fields with proven reserves of 10.1 trillion cubic feet (Tcf).<sup>27</sup> Further natural gas reserves and production are expected from the Leviathan field, which may begin production in 2016-2017 or later. According to the U.S. Energy Information Administration, Leviathan and other newly discovered offshore fields “should allow [Israel] to become a significant exporter of natural gas in the next decade.”

U.S. officials believe that the eventual production of gas resources in Lebanese waters “could be a great, great boon ... to the Lebanese economy,”<sup>28</sup> and are working with Lebanese and Israeli leaders to resolve maritime boundary disagreements. Israel and Lebanon hold differing views of the correct delineation points for their joint maritime boundary relative to the Israel-Lebanon 1949 Armistice Line that serves as the de facto border between the two countries.<sup>29</sup> Lebanon objects to an Israeli-Cypriot agreement that draws a specific maritime border delineation point relative to the 1949 Israel-Lebanon Armistice Line and claims roughly 330 square miles of waters that overlap with areas claimed by Israel (Figure 6).

The discovery of resources by Israel near the maritime boundary and the presumption that there are Lebanese resources close to the disputed area has amplified controversy over the disagreement. Both Israeli and Lebanese officials have taken steps to assert and protect their respective claims. The Obama Administration has sought to mediate the dispute privately, and press reports suggest the U.S. approach seeks to allow Lebanon to begin exploration and production activities in areas not subject to dispute while Lebanese differences with Israel regarding disputed areas are more fully addressed.

The Lebanese government enacted a law defining its maritime boundaries and Exclusive Economic Zone in 2011 and created a national Petroleum Authority in November 2012 to serve as

**Figure 6. Eastern Mediterranean Maritime Territory Disputes and Energy Resources**



**Source:** The Economist.

**Notes:** Boundaries and locations are approximate and not necessarily authoritative.

<sup>27</sup> U.S. Energy Information Administration, Israel Country Data, March 2014.

<sup>28</sup> Testimony of Acting Deputy Assistant Secretary of State for Near Eastern Affairs Lawrence Silverman before the Senate Foreign Relations Subcommittee on Near Eastern and South and Central Asian Affairs, February 25, 2014.

<sup>29</sup> The Armistice Line is not the final agreed border between Lebanon and Israel, but coastal points on the line appear likely to be incorporated into any future Lebanon-Israel border agreement.

a regulator for the domestic oil and gas production industry, in conjunction with the Energy Ministry and cabinet. As of April 2014, the Salam cabinet was expected to discuss two long-awaited decrees. One regards the delineation of Lebanon's territorial waters into 10 exploration blocks, and the other proposes terms for a model exploration and production sharing agreement to govern future commercial arrangements with investors.

Nearly 50 companies have been prequalified to bid on exploration and production licenses in Lebanese waters, and a bidding round that opened in 2013 is expected to begin in earnest once the cabinet adopts the required decrees. The Salam cabinet's recently approved ministerial statement makes reference to plans to proceed with the development of offshore energy resources and "confirms the total adherence to Lebanon's right to its waters and its oil and gas riches, and it pledges to speed up the necessary measures in order to secure its maritime borders, particularly in the disputed areas with the Israeli enemy."

During a visit to Lebanon on April 1, U.S. Deputy Assistant Secretary of State for Energy Diplomacy Amos Hochstein reportedly said,<sup>30</sup>

I think the most advisable policy for choosing where to drill is to reach an agreement on the disputed zone so there isn't a disputed zone. I think it would be good not to touch the disputed zone until there is a resolution for this dispute.... The maritime dispute between Lebanon and Israel needs to be resolved. We [the United States] have gone to both sides on a number of occasions to share some ideas on how to solve this issue. The reason that it is critical to resolve this dispute between Lebanon and Israel is because in order to attract investments, there needs to be some kind of accommodation. There has to be certainty that the investments will be sound.... The longer you wait on resolving this dispute, the less likely it is that international oil companies will wholeheartedly invest in that area. For this reason, we have come up with certain ideas to solve this issue.... The main goal here is to allow Lebanon to be in a position to attract foreign investors: come to the offshore of Lebanon and be part of the economic revival.

With regard to a potential delay of the scheduled April 2014 opening of bidding for exploration and production licenses, Hochstein said,

It's always ideal to run things on time. But I think it's better to delay than to launch it before its ready. If you launch something before there is political consensus then this will have risks too because if companies invest money and resources and later the political attitudes change then this is worse. I think it would be good for Lebanon to move quickly and at the same time it is better to move correctly.

## Outlook

Conditions in Lebanon are fragile and the country's stability is jeopardized by the fighting in Syria. At the same time, some in the Administration and Congress may view the Syrian uprising as an opportunity to weaken Hezbollah, as well as its key patron, Iran, and to limit Hezbollah's role in Lebanese affairs. It remains to be seen whether a weakened Hezbollah would be amenable to increased cooperation with its sectarian rivals. The rise in Lebanon of Sunni extremist forces

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<sup>30</sup> Osama Habib, "U.S. Urges Lebanon not to Drill for Gas in Disputed Waters," *Daily Star* (Beirut), April 1, 2014.

linked to Syria, such as Jabhat al Nusra and ISIL, creates new threats for U.S. policy makers to consider.

Since 2006, Hezbollah, its allies, and their Sunni extremist rivals have viewed U.S. assistance programs as a thinly veiled attempt to build proxy forces to target them. During this period, some Members of Congress have argued that the LAF and ISF should act more forcefully to limit weapons smuggling to Hezbollah, if not to confront Hezbollah directly. Persistent congressional concerns about the trustworthiness of the LAF and its potential to threaten Israel have placed limits on the extent of U.S. engagement. The Obama Administration, like its predecessor, has sought to underscore that the intent of U.S. support is to build national institutions in Lebanon that can impartially confront a range of security challenges, of which there is no shortage at present.

Lebanese leaders and their U.S. interlocutors are acutely focused on the threat that potential power vacuums in executive, legislative, and security force leadership positions may pose to Lebanon's security in 2014. Two key domestic political issues remain unresolved: who will succeed President Michel Sleiman when his term expires on May 25, 2014, and which election law will govern parliamentary elections that have been delayed until November 2014.<sup>31</sup> As of April 2014, parties appear no closer to consensus on election law reform proposals that could alter the electoral fortunes of certain factions considerably. In the meantime, rising insecurity has made the prospect of grand political compromise appear more necessary but less likely.

Overall, the prevailing political balance in Lebanon continues to reflect fundamental communal divisions and different perspectives on events in neighboring Syria. These divisions and differences show little sign of abating, and have intensified as the conflict in Syria has continued and as attacks have spread in Lebanon. Some Lebanese leaders signal that they want to move beyond the sectarian politics that have paralyzed the country, while others seek to perpetuate the confessional system to defend or advance personal or communal interests.

Lebanon's rival political coalitions accuse each other of jeopardizing the country's security by choosing sides in Syria's conflict as each contemplates the potential change in sectarian power dynamics that could be ushered in by prolonged conflict or regime change in Syria. Hezbollah and its Shia and Christian allies fear that an empowered Syrian Sunni majority will undermine their interests and empower their domestic rivals. The March 14 coalition seeks to undermine its competitors by linking them to the violent oppression of the Asad government, even as questions

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<sup>31</sup> The 1926 constitution established Lebanon as a parliamentary republic. Citizens elect the parliament for four-year terms, and the parliament in turn elects the president for a non-renewable six-year term. The president chooses a prime minister and appoints a cabinet subject to the confidence vote of parliament. Before each parliamentary election an electoral law is enacted. Recent laws have preserved an equal balance of parliamentary seats between Muslims and Christians and outlined specific seat quotas for religious sub-sects. For example, the 2008 election law specified seats for Sunni, Shia, Druze and Alawite Muslims as well as among Christians for Maronite, Greek Orthodox, Greek Catholic, Armenian Orthodox, Armenian Catholic, Evangelical, and Christian minorities. The current law was adopted in 2008 and establishes a winner-take all system across 26 districts, known as *qada*. In August 2012, after several rounds of disagreement, the cabinet endorsed a proposal calling for the introduction of a proportional representation system over 13 larger districts, but the proposal was never enacted. Supporters of the draft argued that it would encourage parties to extend beyond political or sectarian strongholds and run more nationally oriented campaigns. The Future Movement, the Progressive Socialist Party, and some minority parties expressed opposition to the proportional representation system and the cabinet draft, citing fears it would undermine their ability to achieve representation in parliament and maintain influence over cabinet formation. See International Foundation for Electoral Systems (IFES), *The Lebanese Electoral System*, March 2009.

rise about the tactics and long-term intentions of fellow Asad opponents among small Sunni extremist community.

U.S. decision makers face a delicate series of choices as the Syrian conflict drags on and Lebanese leaders seek to carry out needed elections and avoid slipping further toward crisis. Congress may seek to influence U.S. policy in the short run through its consideration of notifications for the obligation of foreign assistance funds for Lebanon and for any proposed arms sales. Consideration of the Administration's FY2015 foreign assistance funding request offers further opportunities for oversight and policy review. Broader evaluation of the direction of U.S. policy toward Syria is ongoing in both chambers and may include new assessments of U.S. engagement in Lebanon. The choices that Lebanese leaders make with regard to the Syrian crisis, their own political disputes, and the use of state security forces to assert sovereignty and combat non-state actors may further shape the future of U.S. assistance to and relations with Lebanon.

In the interim, Lebanon is likely to remain an arena for sectarian and geopolitical competition, with political paralysis and insecurity as the result.

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