Lebanon: Background and U.S. Relations

Updated May 19, 2023
Lebanon: Background and U.S. Relations

Since having its boundaries drawn by France after the First World War, Lebanon has struggled to define its national identity. Its population then included Christian, Sunni Muslim, and Shi’a Muslim communities of roughly comparable size, and with competing visions for the country. Seeking to avoid sectarian conflict, Lebanese leaders created a confessional system that allocated power among the country’s religious sects according to their percentage of the population. Since then, Lebanon’s demographics and political dynamics have shifted, exacerbating tension among groups. Sectarian divisions have stoked violence, such as during the 1975-1990 civil war, as well as political gridlock on issues that require dividing power, such as government formation. Lebanon today faces both economic crisis and political paralysis.

Lebanon’s divisive dynamics are intensified by external actors—including Syria and Iran—that maintain influence in Lebanon by backing Hezbollah and its political allies. Other states, such as Saudi Arabia, have backed Sunni communities as part of a broader effort to curtail Iran’s regional influence. The United States has sought to bolster forces that could serve as a counterweight to Syrian and Iranian influence in Lebanon, providing more than $3 billion in military assistance to the Lebanese Armed Forces (LAF) since 2006, with the aim of creating a national force strong enough to counter nonstate actors like Hezbollah and secure the country’s borders against extremist groups operating in neighboring Syria, including those affiliated with Al Qaeda and the Islamic State.

Hezbollah, an armed group, political party, and U.S.-designated Foreign Terrorist Organization, plays a major role in Lebanon’s relationships with its two neighbors: Syria and Israel. Despite Lebanon’s official policy of disassociation from regional conflicts, Hezbollah forces have fought in Syria since 2013 to preserve the government of Syrian president Bashar al Asad, and have sporadically clashed with Israeli forces along Lebanon’s southern border. Hezbollah also plays an influential role in Lebanon’s domestic politics; it holds 13 seats in parliament and has held 1-3 cabinet seats in successive Lebanese governments. The question of how best to marginalize Hezbollah without provoking civil conflict among Lebanese sectarian political forces has remained a key challenge for U.S. policymakers.

Humanitarian Crisis. As of 2023, there were roughly 805,000 Syrian refugees registered with the U.N. High Commissioner for Refugees (UNHCR) in Lebanon, in addition to an existing population of nearly 175,000 Palestinian refugees living in Lebanon. Lebanon (a country of roughly 4.3 million citizens in 2010) has the highest per capita refugee population in the world, with refugees constituting an estimated 21.8% of the total population. The refugee influx has strained Lebanon’s public services and host communities, and some government officials describe refugees as a threat to the country’s security. The United States has provided more than $3 billion in humanitarian assistance in Lebanon since FY2012.

Economic Crisis. Lebanon faces what arguably is the worst economic crisis in its history—stemming from a confluence of debt, fiscal, banking, and currency crises. The World Bank has been critical of Lebanon’s policy response, stating that, “policy inaction is sowing the seeds of an economic and social catastrophe for Lebanon.” Analysts have warned that further economic deterioration could trigger a security breakdown. Lebanon reached a draft agreement with the International Monetary Fund (IMF) in April 2022 that would provide financial support to the country. However, it remains contingent on a set of politically challenging reforms that have not been implemented.

Political Vacuum. Lebanon held parliamentary elections in May 2022, but has been unable to form a government. Acting Prime Minister Najib Mikati currently leads a caretaker government but has no mandate to advance specific policies. The term of Lebanon’s president Michel Aoun expired in October 2022; elections by Members of Parliament (MPs) to select his replacement could take months or years, potentially leaving a void in the country’s executive branch. As of May 2023, Lebanon remains without a president or a fully empowered cabinet.
Contents

Historical Background .......................................................................................................................... 1
U.S. Policy Priorities ............................................................................................................................ 4
Politics .................................................................................................................................................. 5
   Lebanon’s Confessional System ......................................................................................................... 5
   2022 Parliamentary Elections ........................................................................................................... 5
   2023 Presidential Elections ............................................................................................................... 6
Security .................................................................................................................................................. 8
   Hezbollah .......................................................................................................................................... 8
   Historical Background ....................................................................................................................... 8
   Domestic Politics ............................................................................................................................... 9
   United Nations Interim Force in Lebanon (UNIFIL) ........................................................................... 9
   Palestinian Armed Groups ............................................................................................................... 10
Refugees and Lebanese Policy .............................................................................................................. 10
   Refugee Returns ............................................................................................................................... 11
Economy ................................................................................................................................................ 12
   Economic Crisis ............................................................................................................................... 12
   Maritime Border Agreement ............................................................................................................ 13
Women and Gender ............................................................................................................................... 14
U.S. Policy ............................................................................................................................................ 15
   U.S. Assistance to Lebanon ............................................................................................................... 15
   Conditionality on Aid to Lebanon .................................................................................................... 17
Policy Debates and Issues for Congress ............................................................................................... 17
   Regional Gas Deal ............................................................................................................................ 17
   Expanding Sanctions ......................................................................................................................... 18
Outlook .................................................................................................................................................. 19

Figures

Figure 1. Lebanon at a Glance .............................................................................................................. 1
Figure 2. Lebanon’s 2022 Parliament ................................................................................................... 6
Figure 3. Lebanon-Israel Maritime Border Agreement ....................................................................... 13

Contacts

Author Information ............................................................................................................................... 20
Historical Background

Prior to World War I, the territories comprising modern-day Lebanon were governed as separate administrative regions of the Ottoman Empire. After the war, Britain and France divided the Ottoman Empire’s Arab provinces into zones of influence under the terms of the 1916 Sykes Picot agreement. The area constituting modern-day Lebanon was granted to France, and in 1920, French authorities announced the creation of the state of Greater Lebanon. To form this new entity, French authorities combined the Maronite Christian enclave of Mount Lebanon—semtioplastonomous under Ottoman rule—with the coastal cities of Beirut, Tripoli, Sidon, and Tyre and their surrounding districts. These latter districts were (with the exception of Beirut) primarily Muslim and had been part of the Ottoman vilayet (province) of Syria.

Figure 1. Lebanon at a Glance

Sources: Created by CRS using ESRI, Google Maps, and Good Shepherd Engineering and Computing.

These administrative divisions created the boundaries of the modern Lebanese state; historians note that “Lebanon, in the frontiers defined on 1 September 1920, had never existed before in history.” The new Muslim residents of Greater Lebanon—many with long-established economic links to the Syrian interior—opposed the move, and some called for integration with Syria as part of a broader postwar Arab nationalist movement. Meanwhile, many Maronite Christians—some of whom also self-identified as ethnically distinct from their Arab neighbors—sought a Christian state under French protection. The resulting debate over Lebanese identity would shape the new country’s politics for decades to come.

Independence. In 1943, Lebanon gained independence from France. Lebanese leaders agreed to an informal National Pact, in which each of the country’s officially recognized religious groups

1 In 1923, the League of Nations formalized French mandate authority over the territory constituting present-day Lebanon and Syria.
were to be represented in government in direct relation to their share of the population, based on the 1932 census. The presidency was to be reserved for a Maronite Christian (the largest single denomination at that time), the prime minister post for a Sunni Muslim, and the speaker of parliament for a Shi’a. Lebanon has not held a census since 1932, amid fears (largely among Christians) that any demographic changes revealed by a new census—such as a Christian population that was no longer the majority—would upset the political status quo.

Civil War. In the decades that followed independence, Lebanon’s sectarian balance remained a point of friction between communities. Christian dominance in Lebanon was challenged by a number of events, including the influx of (primarily Sunni Muslim) Palestinian refugees as a result of the Arab-Israeli conflict, and the mobilization of Lebanon’s Shi’a Muslim community—which had been politically and economically marginalized. These and other factors would lead the country into a civil war that lasted from 1975 to 1990 and killed an estimated 150,000 people. While the war pitted sectarian communities against one another, there was also significant fighting within communities.

Foreign Intervention. The civil war drew in a number of external actors, including Syria, Israel, Iran, and the United States. Syrian military forces intervened in the conflict in 1976, and remained in Lebanon for another 29 years. Israel sent military forces into Lebanon in 1978 and 1982, and conducted several subsequent airstrikes. In 1978, the U.N. Security Council established the United Nations Interim Force in Lebanon (UNIFIL) to supervise the withdrawal of Israeli forces from southern Lebanon, which was not complete until 2000. In the early 1980s, an emerging militant group that would become Hezbollah, backed by Iran, began to contest Israel’s military presence in heavily Shi’a southern Lebanon. The United States deployed forces to Lebanon in 1982 as part of a multinational peacekeeping force, but withdrew its forces after the 1983 Marine barracks bombing in Beirut, which killed 241 U.S. personnel.

Taif Accords. In 1989, the parties signed the Taif Accords, beginning a process that would bring the war to a close the following year. The agreement adjusted and formalized Lebanon’s confessional system (see “Politics,” below), further entrenching what arguably was an unstable power dynamic between different sectarian groups at the national level. The political rifts created by this system allowed Syria to present itself as the arbiter between rivals, and pursue its own interests inside Lebanon in the wake of the war. The participation of Syrian troops in Operation Desert Storm to expel Iraqi forces from Kuwait, as well as Syria’s engagement in peace talks with Israel, reportedly facilitated what some analysts described as the tacit acceptance by the United States of Syria’s continuing role in Lebanon. The Taif Accords also called for all Lebanese militias to be dismantled, and most were reincorporated into the Lebanese Armed Forces. Hezbollah refused to disarm—claiming that its militia forces were legitimately engaged in resistance to the Israeli military presence in southern Lebanon.

---

3 Statistics Lebanon, a Beirut-based research firm, estimates that Lebanon’s population is 67.6% Muslim (31.9% Sunni, 31% Shi’a) and 32.4% Christian (with Maronite Catholics being the largest Christian group, followed by Greek Orthodox). Druze are estimated to comprise 4.5% of the population. See U.S. Department of State, “Lebanon,” International Religious Freedom Report for 2019. The 1932 census found that Christians comprised 58% of the population; some studies argue that the rules that determined who could be counted in the census were designed to produce a Christian majority. See Rania Maktabi, “The Lebanese Census of 1932 Revisited. Who are the Lebanese?” British Journal of Middle Eastern Studies, 1999. See also, Amos Barshad, “The World’s Most Dangerous Census,” The Nation, October 17, 2019; “Lebanon: Census and sensibility,” The Economist, November 5, 2016.

4 UNIFIL forces remain deployed in southern Lebanon, comprising 10,596 troops drawn from 45 countries.

Hariri Assassination. In February 2005, former Lebanese Prime Minister Rafik Hariri—a prominent anti-Syria Sunni politician—was assassinated in a car bombing in downtown Beirut.6 The attack galvanized Lebanese society against the Syrian military presence in the country and triggered a series of street protests known as the “Cedar Revolution.” Under pressure, Syria withdrew its forces from Lebanon in the subsequent months, although Damascus continued to influence domestic Lebanese politics. The Hariri assassination reshaped Lebanese politics into the two major coalitions known today: March 8 and March 14, which represented pro-Syria and anti-Syria segments of the political spectrum, respectively. In 2007 the U.N. Security Council established the Special Tribunal for Lebanon (STL) to investigate the assassination. In 2020 the STL issued its verdict, convicting one Hezbollah operative; he remains at large.

2006 Hezbollah-Israel War. In July 2006, Hezbollah captured two Israeli soldiers along the border, sparking a 34-day war. The Israeli air campaign and ground operation aimed at degrading Hezbollah resulted in widespread damage to Lebanon’s civilian infrastructure, killing roughly 1,190 Lebanese, and displacing a quarter of Lebanon’s population.7 In turn, Hezbollah launched thousands of rockets into Israel, killing 163 Israelis.8 U.N. Security Council Resolution 1701 brokered a cease-fire between the two sides and expanded the mandate of UNIFIL.

2008 Doha Agreement. In late 2006, a move by the Lebanese government to endorse the STL led Hezbollah and its Shi’a political ally Amal to withdraw from the government, triggering an 18-month political crisis. In May 2008, a cabinet decision to shut down Hezbollah’s private telecommunications network—which the group reportedly viewed as critical to its ability to fight Israel—led Hezbollah fighters to seize control of parts of Beirut. Qatar helped broker a political settlement between rival Lebanese factions, which was signed on May 21, 2008, and became known as the Doha Agreement.

War in Syria. In 2011, unrest broke out in neighboring Syria and refugees flooded into Lebanon. By 2014, refugees constituted a quarter of the country’s population, straining infrastructure and generating escalating tensions with host communities. Despite Lebanon’s official policy of dissociation from regional conflicts, Hezbollah intervened on behalf of the Asad regime in Syria, a key transshipment point for Iranian weapons to Hezbollah. Syria-based militants linked to the Islamic State and Al Qaeda established enclaves in Lebanese border towns, prompting the United States to accelerate the provision of equipment and training to the Lebanese Armed Forces (LAF).

2019 Protest Movement. In October 2019, a mass protest movement unifying disparate sectarian, geographic, and socioeconomic sectors of Lebanese society around demands for political and economic reform resulted in the resignation of Prime Minister Saad Hariri and his government. Loss of investor confidence (compounded by decades of economic mismanagement) triggered a severe financial crisis—described by the World Bank as possibly among the top three “most severe crises episodes globally since the mid-nineteenth century.”9 In August 2020, a massive explosion at the port of Beirut—described as one of the largest nonnuclear explosions ever recorded—killed over 190 people. Both events, widely attributed to negligence and corruption on the part of multiple Lebanese administrations, re-galvanized protests against the government, resulting in the resignation of Prime Minister Hassan Diab and his cabinet.

---

7 Human Rights Watch, Why They Died: Civilian Casualties in Lebanon during the 2006 War, September 5, 2007.
8 Human Rights Watch, Civilians under Assault: Hezbollah’s Rocket Attacks on Israel in the 2006 War, August 2007.
U.S. Policy Priorities

U.S. policy in Lebanon over the past decade has sought to limit threats posed by Hezbollah both within Lebanon and to Israel; bolster Lebanon’s ability to protect its borders; and build state capacity to deal with the influx of Syrian refugees. Iranian influence in Lebanon via Hezbollah, the potential for renewed armed conflict between Hezbollah and Israel, and Lebanon’s internal political dynamics complicate the provision of U.S. assistance. As Congress reviews aid to Lebanon, Members continue to debate the best ways to meet U.S. policy objectives:

Weakening Hezbollah and building state capacity. The United States has sought to weaken Hezbollah without provoking a direct confrontation that could undermine Lebanon’s stability. Both Obama and Trump Administration officials argued that Hezbollah’s influence in Lebanon could be addressed by strengthening Lebanon’s legitimate security institutions, including the LAF. Members have expressed a range of views regarding U.S. security assistance to Lebanon, with some describing the LAF as a counterweight to Hezbollah and others arguing that U.S. policy has failed because Hezbollah continues to amass weapons and remains a powerful force inside Lebanon. The Biden Administration has reaffirmed the strong U.S. partnership with the LAF.

Defending Lebanon’s borders. Beginning in late 2012, Lebanon faced a wave of attacks from Syria-based groups, some of which sought to gain a foothold in Lebanon. U.S. policymakers have sought to ensure that the Lebanese Armed Forces have the tools they need to defend Lebanon’s borders against encroachment by the Islamic State and other armed nonstate groups.

Assisting Syrian refugees. The influx of over a million Syrian refugees since 2011 placed significant pressure on Lebanese public services and host communities. The United States has provided over $3 billion in humanitarian assistance for Lebanon since FY2012, much of it designed to lessen the impact of the refugee surge on host communities.

Strengthening government institutions. U.S. economic aid to Lebanon aims to strengthen Lebanese institutions and their capacity to provide essential public services. Slow economic growth and high levels of public debt have limited government spending on public services, and this gap has been filled in part by sectarian patronage networks, including some affiliated with Hezbollah. U.S. programs to improve education, increase service provision, and foster economic growth are intended to make communities less vulnerable to recruitment by extremist groups.

Encouraging reform. While seeking to bolster the capacity and legitimacy of state institutions in Lebanon, Trump Administration officials also criticized “decades of mismanagement, corruption, and the repeated failure of Lebanese leaders to put aside their parochial interest and undertake meaningful, sustained reforms,” sentiments echoed by the Biden Administration.


14 Testimony of David Hale, Under Secretary of State for Political Affairs in U.S. Congress, Senate Foreign Relations (continued...)
Politics

Lebanon’s Confessional System

Lebanon’s population includes Christian, Sunni Muslim, and Shi’a Muslim communities that are estimated to be 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 speaker of parliament for a Shi’a Muslim. The 128 seats in Lebanon’s parliament are divided evenly among Christians and Muslims, and Lebanese electoral law has traditionally allocated each seat within an electoral district to a specific religious community. Lebanon’s confessional system—shaped by the 1943 National Pact and adjusted and formalized by the 1989 Taif Accords—was designed to encourage consensus among the country’s sectarian communities, particularly in the wake of Lebanon’s civil war. However, the need for cooperation between rival political blocs on major issues is widely viewed as contributing to political gridlock.

March 8 and March 14 Political Coalitions in Flux Following 2019 Protests

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 held parliamentary elections on May 15, 2022. The elections did not result in a clear majority for either March 8 or March 14-linked groups (see Figure 2), contributing to paralysis on issues requiring a majority vote in parliament—including government formation and the election of a president. Some have expressed hope that the unprecedented number of self-described “opposition” MPs in the new parliament (known as the “Forces of Change” bloc) could


15 See footnote 3.

16 “Will Hariri’s Withdrawal from the political scene serve Lebanon’s opposition forces?” L’Orient Today, January 28, 2022.
operate in unity to support reform measures. However, the group is ideologically diverse and has shown signs of growing internal divisions.17

**Figure 2. Lebanon’s 2022 Parliament**

<table>
<thead>
<tr>
<th>Political Party</th>
<th>Number of Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>March 8 Coalition</strong></td>
<td></td>
</tr>
<tr>
<td>Free Patriotic Movement</td>
<td>16</td>
</tr>
<tr>
<td>Amal</td>
<td>15</td>
</tr>
<tr>
<td>Hezbollah</td>
<td>13</td>
</tr>
<tr>
<td>Linked to March 8</td>
<td>10</td>
</tr>
<tr>
<td>Tashnag</td>
<td>3</td>
</tr>
<tr>
<td>Marada</td>
<td>2</td>
</tr>
<tr>
<td><strong>March 14 Coalition</strong></td>
<td></td>
</tr>
<tr>
<td>Lebanese Forces</td>
<td>19</td>
</tr>
<tr>
<td>Related to Future Movement</td>
<td>8</td>
</tr>
<tr>
<td>Kataeb</td>
<td>4</td>
</tr>
<tr>
<td>Linked to March 14</td>
<td>2</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
</tr>
<tr>
<td>Opposition</td>
<td>12</td>
</tr>
<tr>
<td>Independents</td>
<td>16</td>
</tr>
<tr>
<td>Progressive Socialist Party</td>
<td>8</td>
</tr>
</tbody>
</table>

Elected May 2022; 128 total seats.

**Source:** Figure created by CRS based on “Elected Members of Parliament by Partisan Affiliation,” L’Orient Today, May 17, 2022 and CRS calculations.

**Notes:** Adjusted to reflect the November 2022 decision by Lebanon’s Constitutional Council to void the election of Rami Finge (Opposition) and Firas Salloum (Independent), and their replacement by Faisal Karami (Linked to March 8) and Nasser Haidar (Independent).

**Status of Government Formation**

The May 2022 parliamentary elections automatically triggered the resignation of the existing government (cabinet) of Prime Minister Najib Mikati, placing it in a caretaker capacity until a new prime minister and cabinet could be selected. President Aoun re-appointed Mikati as Prime Minister-designate, but the two leaders failed to agree on the composition of a new cabinet before the expiration of Aoun’s term in October 2022.18 Government formation in 2023 would require the election of a new president and prime minister, as both officials must co-sign the decree forming a new cabinet.

**2023 Presidential Elections**

On October 31, 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.

---

Lebanon’s president is elected by a two-thirds vote in parliament (86 out of 128 votes); for an electoral session to be held, a quorum of 86 MPs is required. As of May 2023, Lebanese MPs have held eleven rounds of voting and failed to elect a president—due either to lack of quorum or to a significant number of MPs casting blank ballots. To date, the blank votes have reportedly been cast largely by Hezbollah and its allies in parliament (Free Patriotic Movement, or FPM, and Amal). Some MPs have criticized the approach taken by Speaker of Parliament Nabih Berri (Amal), arguing that the Lebanese constitution does not require a quorum of 86 MPs after the first round of voting. Berri has defended his decision to apply the rules of first round of voting to each new electoral session, stating that this is his own interpretation of the constitution.

Because neither of Lebanon’s primary political coalitions (March 8 and March 14) typically control the two-thirds majority in parliament that would allow them to unilaterally elect a president, the process of electing a president forces the two rival coalitions to settle on a consensus candidate—a process that can take months or even years. Former President Aoun’s election in 2016 followed a 29-month political stalemate during which 45 prior attempts at electing a president failed.

In the absence of a clear March 8 or March 14 majority in 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 for the selection of a president. Lebanon’s president must be Christian, but his selection is complicated by the fact that Lebanon’s Christian parties are split between those affiliated with March 8 (FPM and Marada), and those historically linked to March 14 (Lebanese Forces and Kataeb, both of which have self-identified as opposition parties since the onset of protests in 2019). Because Christians make up half of the seats in parliament, a successful Christian candidate must also win support among other sectarian groups in order to cross the two-thirds vote threshold.

### Municipal Elections Postponed

In April 2023, Parliament extended the terms of municipal councils until May 2024, effectively postponing municipal elections that initially were scheduled for spring 2022 and later rescheduled for May 2023. In March, caretaker Interior Minister Bassam Mawlawi stated, “We don’t have the money to organize the municipal elections.” The financing of municipal elections has become an issue of contention among political rivals. Some leaders have stated that Parliament must approve the necessary funds via legislation. Others, such as the Lebanese Forces, argue that parliament cannot hold legislative sessions in the absence of a president, and that the funds should instead be drawn from Lebanon’s IMF Special Drawing Rights (SDR). Both sides accuse the other of seeking to obstruct the elections. Municipal elections are important in Lebanon, where municipalities play an arguably outsized role in local governance, reflecting the political paralysis at the national level and the inability of the state to provide basic services.

---

20 Ibid.
21 For a discussion of how this article historically has been applied, see: “Caught between constitution and politics: the presidential vacuum in Lebanon,” Heinrich Boll Stiftung, July 4, 2014.
24 “Lebanon’s municipal elections are more at risk than ever,” L’Orient Today, March 30, 2023.
Security

Hezbollah

Hezbollah is an Iran-backed Lebanese Shi’a militia and U.S.-designated Foreign Terrorist Organization (FTO). The group has focused its attacks on Israeli and Jewish targets—including outside the Middle East. Nevertheless, the 2023 Worldwide Threat Assessment of the U.S. Intelligence Community also noted that, “Hizballah seeks to reduce U.S. influence in Lebanon and the broader Middle East, and maintains the capability to target U.S. persons and interests in the region, worldwide, and, to a lesser extent, in the United States.”

Historical Background

Hezbollah emerged in the early 1980s during the Israeli occupation of southern Lebanon. Israel invaded Lebanon in 1978 and again in 1982, with the goal of pushing back (in 1978) or expelling (in 1982) the leadership and fighters of the Palestine Liberation Organization (PLO)—which used Lebanon as a base to wage a guerrilla war against Israel until the PLO relocated to Tunisia in 1982. In 1985 Israel withdrew from Beirut and its environs to southern Lebanon—a predominantly Shi’a area. Until 2000, Israel occupied what it described as a nine mile “security zone” in southern Lebanon, which it said was necessary to defend northern Israel from terrorist attacks. Shi’a leaders disagreed about how to respond to the Israeli occupation, and many of those favoring a military response gradually coalesced into what would become Hezbollah. The group launched attacks against Israeli Defense Forces (IDF) and U.S. military and diplomatic targets, portraying itself as the leaders of resistance to foreign military occupation.

In May 2000, Israel withdrew its forces from southern Lebanon, but Hezbollah has used the remaining Israeli presence in the Sheb’a Farms and other disputed areas in the Lebanon-Syria-Israel tri-border region to justify its ongoing conflict with Israel—and its continued existence as an armed militia alongside the Lebanese Armed Forces.

2006 Hezbollah–Israel War

Hezbollah’s last major clash with Israel occurred in 2006—a 34-day war that resulted in the deaths of approximately 1,190 Lebanese and 163 Israelis, and the destruction of large parts of Lebanon’s civilian infrastructure. The war began in July 2006, when Hezbollah captured two members of the IDF along the Lebanese-Israeli border. Israel responded by carrying out air strikes against suspected Hezbollah targets in Lebanon, and Hezbollah countered with rocket attacks against cities and towns in northern Israel. Israel subsequently launched a full-scale ground operation in Lebanon with the stated goal of establishing a security zone free of...

---

26 Office of the Director of National Intelligence, Annual Threat Assessment of the U.S. Intelligence Community, February 6, 2023, pp. 33.
27 According to various accounts, Israel's 1982 invasion included additional goals of countering Syrian influence in Lebanon and helping establish an Israel-friendly Maronite government there.
28 “IDF to recognize 18-year occupation of south Lebanon as official campaign,” Times of Israel, November 4, 2020.
29 The Shi’a group Amal took a more nuanced view of the Israeli occupation, which it saw as breaking the dominance of Palestinian militia groups operating in southern Lebanon.
Hezbollah militants. Hostilities ended following the issuance of U.N. Security Council Resolution (UNSCR) 1701, which imposed a cease-fire.

In the years since the 2006 war, Israeli officials have sought to draw attention to Hezbollah's weapons buildup—including reported upgrades to the range and precision of its projectiles—and its alleged use of Lebanese civilian areas as strongholds. Israeli officials also have expressed concern that Iran is supplying Hezbollah with advanced technology and helping the group establish infrastructure to indigenously produce rockets and missiles.32

**Domestic Politics**

Hezbollah has participated in elections since 1992. The group currently holds 13 seats in Lebanon's parliament, and is part of the March 8 political coalition. Hezbollah entered the cabinet for the first time in 2005, and has held one to three seats in each Lebanese government formed since then. Hezbollah’s popularity stems in part from its provision of public services. A 2022 State Department assessment noted that the delivery of public services “has been left to subnational or non-state actors, reducing the quality, reliability, and efficiency of delivery, and opening communities to greater influence by malign non-state and foreign actors.”33

Hezbollah has at times served as a destabilizing political force, despite its willingness to engage in electoral politics. In 2008, Hezbollah-led fighters took over areas of Beirut after the March 14 government attempted to shut down the group's private telecommunications network—which Hezbollah leaders described as key to the group's operations against Israel.34 Hezbollah has also withdrawn its ministers from the cabinet to protest steps taken by the government (in 2008 when the government sought to debate the issue of Hezbollah's weapons, and in 2011 to protest the expected indictments of Hezbollah members for the Hariri assassination). On both occasions, the withdrawal of Hezbollah and its political allies from the cabinet caused the government to collapse. Hezbollah involvement has been suspected in various political assassinations—notably that of former prime minister Rafik Hariri in 2005 and more recently in the death of civil society activist and Hezbollah critic Lokman Slim in 2021.

For additional background, see CRS In Focus IF10703, *Lebanese Hezbollah*, by Carla E. Humud.

**United Nations 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, UNSCR 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.”

On December 14, 2022, an Irish soldier serving with UNIFIL died when a convoy of two armored vehicles carrying eight personnel to Beirut came under “small arms fire,” according to the Irish Defense Forces. Hezbollah denied involvement in what it described as an “unintentional

---

34 “Row over Hezbollah phone network,” *Al Jazeera*, May 9, 2008.
incident.” The group subsequently handed over a man suspected in the killing to Lebanese authorities; a Lebanese security official stated that Hezbollah was “cooperating with the investigation.”35 While the attack occurred outside of UNIFIL’s area of operations, quarterly reports of the U.N. Secretary General to the U.N. Security Council have documented restrictions on the freedom of access and movement of UNIFIL forces in southern Lebanon.36

For additional background on UNIFIL’s structure, mandate, and associated policy debates, see CRS In Focus IF11915, United Nations Interim Force in Lebanon (UNIFIL), by Carla E. Humud.

Palestinian Armed Groups

A range of armed groups operate in Lebanon’s 12 Palestinian refugee camps, which were built between 1948 and 1963 and house Palestinians displaced during various Arab-Israeli wars as well as their descendants. Palestinians born in Lebanon are ineligible for Lebanese citizenship, and are barred from owning or inheriting property.37 The U.N. has described conditions in the overcrowded camps as “dire,” and most residents rely on UNRWA for basic services.38 The State Department reported in 2022 that most Palestinian refugee camps operated “under the control of joint Palestinian security forces representing multiple factions. Palestinian groups in refugee camps operated an autonomous system of justice with little transparency to outsiders and beyond the control of the state.”39

Palestinian militants based in Lebanon have at times fired rockets into Israel during periods of Israeli-Palestinian tensions. In May and July 2021, Israeli military officials assessed that Lebanon-based Palestinian groups had fired rockets into Israel.40 On April 6, 2023, dozens of rockets were fired from Lebanon into Israel. Some rockets were intercepted by Israeli air defenses, while others fell inside Israel (two injuries were reported; no fatalities). Some analysts described the strikes as “the most serious escalation between Lebanon and Israel since the 2006 war.”41 While there was no immediate claim of responsibility, an IDF spokesperson blamed Hamas for the attack, adding that the Lebanese government is “responsible for any attack from its territory.”42 The attacks followed Israeli-Palestinian violence at the Al Aqsa mosque in Jerusalem, during a period of overlap between the Muslim holy month of Ramadan and the Jewish Passover holiday.

Refugees and Lebanese Policy

Refugees from Syria

The outbreak of conflict in Syria in 2011 led to a surge of Syrian refugee arrivals in Lebanon. By 2014, Lebanon had the highest per capita refugee population in the world, with refugees equaling

---

37 Law 296 (2001) prohibits persons who do “not carry a citizenship issued by a recognized state” from owning property in Lebanon.
38 UNRWA, Where We Work, available at: https://www.unrwa.org/where-we-work/lebanon
41 “Rockets fired from Lebanon toward Israel in major escalation,” Axios, April 6, 2023.
42 Ibid.
one-quarter of the resident population. Those figures remain largely unchanged, with over 800,000 Syrian refugees registered in Lebanon as of 2023. The U.N. estimated in 2020 that nine of out ten Syrian refugees in Lebanon live in extreme poverty. Lebanese officials have been critical of UNHCR financial assistance to refugees, arguing that such assistance incentivizes refugees to remain in Lebanon.

**Palestinian Refugees from Syria (PRS).** The Syria conflict displaced not only Syrian nationals, but also an estimated 27,700 Palestinian refugees from refugee camps inside Syria. PRS are not eligible for services provided by UNHCR, and must instead register with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to receive continued emergency support.

**Palestinian Refugees from Lebanon (PRL)**

Palestinian refugees have been present in Lebanon for over 70 years, as a result of displacements stemming from various Arab-Israeli wars. Like Syrian refugees, Palestinian refugees and their Lebanese-born children cannot obtain Lebanese citizenship, even though many are the third or fourth generation to be born inside Lebanon. A 2010 law expanding employment rights and removing some restrictions on Palestinian refugees was not fully implemented, and Palestinians remained barred from working in most skilled professions, including medicine, law and engineering that require membership in a professional association. Informal restrictions on work in other industries left many refugees dependent upon UNRWA for education, health care and social services.

Roughly 175,000 Palestinians currently reside in Lebanon, according to the first official census of Palestinian refugees in Lebanon, conducted in 2017.

**Refugee Returns**

Since 2017, the LAF and the Directorate for General Security (DGS) have facilitated the return of refugees to Syria. Various human rights groups questioned whether the returns were fully voluntary, citing a coercive environment in Lebanon, with crackdowns on refugee housing, legal permits, and rising tensions with host communities. Despite a September 2022 report by the U.N. Human Rights Council’s Commission of Inquiry stating that, “The Syrian Arab Republic is

---

45 “Nine out of ten Syrian refugee families in Lebanon are now living in extreme poverty, UN study says,” UNHCR, December 18, 2020.
47 Citizenship in Lebanon is derived exclusively through the father. Thus, a child born to a Palestinian refugee mother and a Lebanese father could obtain Lebanese citizenship. However, a Palestinian refugee father would transmit his stateless status to his children, even if the mother was a Lebanese citizen.
49 “Census shows there are 174,422 Palestinians in Lebanon,” Associated Press, December 21, 2017.
still not a safe place to return,” 51 two convoys of refugees returned to Syria—roughly 324 in late October52 and 350 in early November 2022.53

2023 Returns. In April, the LAF conducted multiple raids on Syrian refugee communities in Lebanon, arresting hundreds and deporting several dozen Syrians. Unnamed security officials stated the LAF had increased arrests of undocumented Syrians, handing them over to border guards who then expelled them from Lebanon.54 Amnesty International criticized Lebanon for what it described as the “unlawful deportation of Syrian refugees.”55

Economy

Economic Crisis

According to a 2021 World Bank report, Lebanon faces an economic and financial crisis “likely to rank in the top 10, possibly top 3, most severe crises episodes globally since the mid-nineteenth century.”56 According to one source, “Some economists have described Lebanon’s financial system as a nationally regulated Ponzi scheme, where new money is borrowed to pay existing creditors. It works until fresh money runs out.”57

International organizations have criticized Lebanon’s political elite for the country’s ongoing economic collapse. A study by a U.N. Special Rapporteur stated, “The collapse of the Lebanese economy was avoidable […]; economists and financial experts had warned about the impending crisis since at least 2015. Such warnings were willfully ignored by the political leadership.”58 A July 2022 World Bank report stated, “Lebanon’s macro-financial bankruptcy is with such (relative) scale and scope that it has likely undermined the political economy of post-civil war Lebanon.” The report added that the crisis “seems to be leading to the disintegration of this political economy, as manifested by a collapse of the most basic public services, [and] persistent and debilitating internal political discord.”59

A 2021 U.N. study estimated that poverty rates in Lebanon had nearly doubled from 42% in 2019 to 82% in 2021.60 Following a series of incidents in September 2022 in which armed customers stormed banks demanding access to their accounts, Lebanon’s banks temporarily closed.61 In October 2022, the black market exchange rate for the Lebanese pound (or lira) hit a new record low of LL40,000 against the dollar; as of March 2023, the lira had dropped further to reach an

---

52 CRS conversation with Lebanon-based U.N. agency representatives, October 27, 2022.
61 “Bank holdups snowball in Lebanon as depositors demand their own money,” Reuters, September 17, 2022.
unprecedented LL100,000 to the dollar. In February, the Lebanese Central Bank changed the official exchange rate peg from LL1,507/dollar to LL15,000/dollar.\textsuperscript{62}

In late February, Lebanese authorities charged Central Bank governor Riad Salame with money laundering, embezzlement, and illicit enrichment. Several European countries—including Switzerland, France, and Germany—have launched investigations into whether funds allegedly embezzled from Lebanon’s central bank were laundered in Europe.\textsuperscript{63}

\textbf{IMF Staff Agreement and Pending Reforms}

In April 2022, the IMF reached a staff-level agreement with Lebanon for an economic rescue package. The draft agreement, which would disburse, in phases, loans worth $3 billion over four years, remains subject to IMF management and Executive Board approval.\textsuperscript{64} The IMF has stated that Lebanon needs to implement a comprehensive economic and financial reform program that includes 1) enacting fiscal reforms, 2) restructuring the financial sector, 3) reforming state owned enterprises, 4) strengthening governance, anti-corruption, and Anti-Money Laundering and Countering the Financing of Terrorism frameworks, and 5) installing a credible monetary and exchange system.\textsuperscript{65} Lebanese authorities need to implement a series of reform measures (known as “prior actions”)—the majority of which have not been implemented to date—before the IMF Board’s consideration of the staff-level agreement.\textsuperscript{66} It is unclear how Lebanon’s economy can be stabilized without IMF financing and the requisite reforms (which must precede a final financing agreement).

\textbf{Maritime Border Agreement}

Long-standing border disputes between Lebanon and Israel have slowed exploration of offshore gas fields in the eastern Mediterranean. On October 11, 2022, Lebanon, Israel, and the United States announced that they had reached an agreement to settle the disputes, paving the

\begin{figure}
\centering
\includegraphics[width=0.5\textwidth]{figure3.pdf}
\caption{Lebanon-Israel Maritime Border Agreement}
\end{figure}


\textsuperscript{63} “Explainer: The probes into Lebanese central bank chief Salameh,” Reuters, February 23, 2023.


\textsuperscript{66} “IMF Reaches Staff-Level Agreement on Economic Policies with Lebanon for a Four-Year Extended Fund Facility,” April 7, 2022.
way for both countries to eventually increase offshore gas production.67

The terms of the deal leave the Karish gas field completely within Israel’s exclusive economic zone (EEZ). Lebanon retains full rights to the Qana field—with the caveat that a future side agreement between Israel and Lebanon’s Block 9 operator (the French company Total) will settle any revenues granted to Israel in the case of gas production in the section of the Qana field that falls into Israel’s Block 72. It is only after this side agreement that initial exploration can begin at Qana, with regular extraction likely beginning several years after that.68 U.S. officials have stated that in the interim period, Lebanon may be able to address its energy crisis by importing natural gas from Egypt, and electricity from Jordan—a prospect that has generated some controversy in Congress (see “Policy Debates,” below).69

Women and Gender

Lebanon’s 2019 protest movement included, among other things, demands for expanded political rights for women. Although some Lebanese women have held high political office (including the Arab world’s first female ministers of defense and interior), women continue to face challenges in matters governed by religious courts.

Personal Status Laws. Under Lebanese law, personal status issues (such as marriage, divorce, custody, and inheritance) are governed by religious courts rather than by Lebanon’s civil code. According to the U.S. State Department’s 2021 Country Reports on Human Rights, women in Lebanon:

...suffered discrimination under the law and in practice, including under the penal and personal status codes. The constitution does not explicitly prohibit discrimination based on sex. In matters of marriage, child custody, inheritance, and divorce, personal status laws provide unequal treatment across the various confessional court systems but generally discriminate against women. All 18 recognized religious groups have their own personal status courts responsible for handling these matters, and laws vary depending on the religious group.70

Nationality Law. Lebanese women are unable to transmit their nationality to their children or foreign spouses—ffecting the children’s and spouses’ legal residency, as well as their access to work, education, social services, and health care.71 Lebanon’s nationality law, issued in 1925 under the French Mandate, grants Lebanese citizenship only to children born to a Lebanese father. A 2013 study found that 73% of stateless persons in Lebanon (excluding those of Palestinian origin) were born to a Lebanese mother.72

Civil Marriage. Lebanon has “no formalized procedure for civil marriage or divorce,” although the government recognizes (heterosexual) civil marriage ceremonies performed outside the country.73 Some MPs in the “Forces of Change” bloc have called for the legalization of civil

68 “Israeli official: Development of disputed Qana gas field will take four stages,” Times of Israel, October 12, 2022.
69 Remarks by U.S. Special Envoy for Energy Affairs Amos Hochstein at a webinar hosted by the American Task Force on Lebanon and the Middle East Institute, October 18, 2022.
70 For additional background, see “Unequal and Unprotected: Women’s Rights under Lebanese Personal Status Laws,” Human Rights Watch, January 19, 2015.
72 Ibid.
marriage in Lebanon; past legislative proposals regarding civil marriage have not passed Parliament.

U.S. Policy

U.S. policy over the past two decades has focused on bolstering forces that could serve as a counterweight to Syrian, Iranian, and violent extremist influence in Lebanon through a variety of military and economic assistance programs. Congress has placed several certification requirements on U.S. assistance funds for Lebanon annually in an effort to prevent their misuse or the transfer of U.S. equipment to Hezbollah or other designated terrorists.

U.S. Assistance to Lebanon

Lebanon typically has received over $100 million annually in both Economic Support Fund (ESF) monies and Foreign Military Financing (FMF) (see Table 1). In addition to FMF obligated through the annual State and Foreign Ops appropriations, Lebanon has received roughly $100-200 million in additional security assistance via the annual defense appropriations process.\(^\text{74}\)

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

<table>
<thead>
<tr>
<th></th>
<th>FY2019 actual</th>
<th>FY2020 actual</th>
<th>FY2021 actual</th>
<th>FY2022 actual</th>
<th>FY2022 request</th>
<th>FY2023 request</th>
<th>FY2024 request</th>
</tr>
</thead>
<tbody>
<tr>
<td>DA</td>
<td>-</td>
<td>7.55</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ESF</td>
<td>112.50</td>
<td>78.95</td>
<td>112.50</td>
<td>112.50</td>
<td>112.50</td>
<td>112.50</td>
<td>112.50</td>
</tr>
<tr>
<td>FMF</td>
<td>105.00</td>
<td>105.00</td>
<td>120.00</td>
<td>180.00</td>
<td>150.00</td>
<td>150.00</td>
<td>150.00</td>
</tr>
<tr>
<td>IMET</td>
<td>2.97</td>
<td>2.68</td>
<td>3.00</td>
<td>1.68</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
</tr>
<tr>
<td>INCLE</td>
<td>10.00</td>
<td>10.00</td>
<td>10.00</td>
<td>8.20</td>
<td>7.20</td>
<td>7.20</td>
<td>7.20</td>
</tr>
<tr>
<td>NADR</td>
<td>11.82</td>
<td>11.82</td>
<td>12.82</td>
<td>12.82</td>
<td>9.26</td>
<td>9.26</td>
<td>9.26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>242.29</strong></td>
<td><strong>216.00</strong></td>
<td><strong>258.32</strong></td>
<td><strong>315.2</strong></td>
<td><strong>282.46</strong></td>
<td><strong>282.46</strong></td>
<td><strong>282.46</strong></td>
</tr>
</tbody>
</table>

Source: Department of State, Foreign Operations and Related Programs Congressional Budget Justifications (FY2021-FY2024).

Notes: ESF = Economic Support Fund; FMF = Foreign Military Financing; IMET = International Military Education and Training; INCLE = International Narcotics Control and Law Enforcement; NADR = Nonproliferation, Antiterrorism, Demining and Related Programs.

Security Assistance

The United States has provided more than $3 billion in security assistance to the LAF since 2006.\(^\text{75}\) Foreign Military Financing (FMF) has been one of the primary sources of U.S. funding for the LAF, along with the Defense Department (DOD) Counter-ISIL Train and Equip Fund (CTEF). DOD has also provided the LAF with border security assistance, as authorized under Section 1226 of the National Defense Authorization Act (NDAA) for FY2016, as amended. The State Department has stated that U.S. security assistance for Lebanon aims to “strengthen

---

\(^{74}\) CRS analysis of Defense Department notifications to Congress.

Lebanon’s sovereignty, secure its borders, counter internal threats, and disrupt terrorist facilitation.”

Noting the challenges posed by the presence of Hezbollah in Lebanon, the State Department added that, “The U.S.–LAF partnership builds the LAF’s capacity as the sole legitimate defender of Lebanon’s sovereignty.” The Department also noted that the LAF “continues to comply fully with all [End-Use Monitoring] reporting and security requirements.”

Livelihood Assistance. In January 2023, U.S. officials announced the rollout of the “LAF-ISF [Internal Security Forces] Livelihood Support Program,” which is 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 program is to be implemented by the United Nations Development Programme (UNDP). The funds, which were notified to Congress in January 2022, reportedly had faced initial opposition from some Members.

U.S. Military Presence in Lebanon. According to a U.S. Army publication, U.S. Special Operations Forces have been deployed to Lebanon since at least 2012. The United States also conducts annual bilateral military exercises with the LAF, known as Resolute Union. In a December 2022 report to Congress, President Biden stated that, “At the request of the Government of Lebanon, approximately 36 United States military personnel are deployed to Lebanon to enhance the government’s counterterrorism capabilities and to support the counterterrorism operations of Lebanese security forces.”

Economic Assistance

The Administration’s FY2024 request for ESF funds for Lebanon states that U.S. economic assistance “will continue to advance activities that empower and mobilize the private sector to effectively stabilize the economy; improve food security; improve socio-economic conditions; help prevent state collapse due to on-going economic crisis; and improve Lebanon’s access to economical, reliable, and clean energy.” Specific programs include those designed to expand and improve public services (including potable water supply systems, power generation, and waste management). The request also states that, “Lebanon is increasingly vulnerable to malign foreign interference, and assistance is crucial to advancing and maintaining U.S. interests and foreign policy priorities.”

Economic assistance for Lebanon is complicated by the role that Hezbollah plays in some government ministries as a result of the seats it holds in the cabinet (in the current caretaker cabinet, the Minister of Public Works and the Minister of Labor are Hezbollah members). U.S. officials have stated that the United States does not work directly with ministries whose leadership is affiliated with Hezbollah, “nor do we generally provide assistance to the government of Lebanon.” Instead, U.S. economic assistance is implemented via local partners (including

---

76 Ibid.
81 FY2024 Congressional Budget Justification, Appendix 2, p. 287.
U.N. agencies, local nongovernmental organizations, American institutions in Lebanon, and the private sector).

**Humanitarian Assistance**

The United States is the largest single donor of humanitarian assistance to Lebanon. In FY2022, the United States provided over $402 million in humanitarian funding for the Lebanon response. The United States has provided more than $3 billion in humanitarian assistance for Lebanon since 2012.

U.S. humanitarian assistance programs in Lebanon, implemented by groups including Mercy Corps, the World Food Program, and UNICEF, focus on food security, primary and secondary health care services, water, sanitation, and hygiene (WASH) programming, child protection, gender-based violence prevention, and mental health and psychosocial support services to vulnerable populations.

**Conditionality on Aid to Lebanon**

Annual appropriations bills establish conditions on ESF and security assistance for Lebanon.

**ESF.** Successive appropriations bills have made ESF funding for Lebanon available notwithstanding Section 1224 of the FY2003 Foreign Relations Authorization Act (P.L. 107-228), which states that ESF funds for Lebanon may not be obligated until the President certifies to the appropriate congressional committees that the LAF has been deployed to the Israeli-Lebanese border and that the government of Lebanon is effectively asserting its authority in the area in which the LAF is deployed.

**FMF.** Successive appropriation bills have stated that funding for the Lebanese Internal Security Forces (ISF) and the LAF may not be appropriated if either body is controlled by a U.S.-designated foreign terrorist organization. FMF assistance to the LAF may not be obligated until the Secretary of State submits to the appropriations committees a spend plan, including actions to be taken to ensure equipment provided to the LAF is used only for intended purposes.

**Policy Debates and Issues for Congress**

**Regional Gas Deal**

In 2021, Syria, Egypt, Jordan, and Lebanon finalized a deal to import natural gas from Egypt and electricity from Jordan into Lebanon to alleviate widespread power outages. Some Members of Congress criticized the agreement arguing that the deal would “undoubtedly enrich the Assad regime and trigger U.S. sanctions under the Caesar Syria Civilian Protection Act.” U.S. officials had previously stated that because the energy deal, expected to be funded by the World Bank,

---

86 Most recently, P.L. 117-328, Division K.
87 Most recently, P.L. 117-328, Division K.
“falls under the humanitarian category, no sanction waiver would be required.”

In June 2022, Assistant Secretary of State for Near Eastern Affairs Barbara Leaf stated that the Administration had “made no commitments” regarding sanctions exemptions or waivers, and would make a final determination after reviewing the finalized contracts.

In September 2022, Lebanon’s Energy Minister affirmed that the World Bank was seeking a number of prerequisites before financing the deal, including an increase in tariffs and the establishment of an organizational structure for the sector’s regulatory body. In December 2022, Lebanon’s Energy Minister stated that Lebanon had begun hiring for an Electricity Regulatory Agency (ERA), thus completing the last World Bank prerequisite to unlock financing for the agreement. As of early 2023, Egypt reportedly was still seeking assurances that U.S. sanctions would be waived.

Members may weigh the expected benefits to Syria from the deal—which reportedly include an in-kind transfer of 8% of electricity imports and 7%-10% of the natural gas imports—against the expected benefits to Lebanon (up to six hours of additional electricity per day). Lebanon’s state power company currently provides about 2-3 hours of electricity a day, triggering widespread blackouts and prompting some U.S. adversaries to attempt to fill the gap in basic service provision. In 2021, Hezbollah reportedly transported more than a million gallons of diesel fuel into Lebanon. In September 2022, Iranian officials stated that Iran could provide Lebanon with 600,000 tonnes of fuel to help ease power shortages.

**Expanding Sanctions**

Many Members of Congress have expressed frustration with the political deadlock in Lebanon, and have called on the Administration to expand sanctions to target Lebanese officials obstructing reforms and/or Lebanon’s electoral process. In a December 2022 letter to Secretary of State Blinken and Treasury Secretary Janet Yellen, the Chairman and Ranking Member of the Senate Foreign Relations Committee stated, “Instead of simply waiting for political movement and reforms, it is time for the Administration to implement a more forward leaning policy […] Given this new phase of political deadlock and a lack of movement on necessary reforms, we strongly urge the Administration to use its existing authorities to sanction members of Lebanon’s financial and political elite across the political and sectarian spectrum who are engaging in corruption and undermining the rule of law.” Members detailed how some Lebanese politicians have obstructed the election of a president, stating:

---

92 “Lebanon starts hiring for power body to comply with terms for World Bank funds,” *Reuters*, December 9, 2022.
93 “Regional power plan for Lebanon held up over Syria sanctions - French official,” *Reuters*, January 31, 2023.
98 “Iran ready to offer Lebanon 600,000 tonnes of fuel, Al Manar TV reports,” *Reuters*, September 20, 2022.
Hezbollah and its allies in the Amal and Free Patriotic Movement parties have prevented the quorum that would allow the president to be selected. Nabih Berri, the Speaker of the Lebanese Parliament and a Hezbollah ally, has facilitated these tactics by repeatedly calling special sessions to select a president where a supermajority is needed for the first vote, only to see pro-Hezbollah members leave parliament before a simple majority vote could take place."

A subsequent letter from the Senators to President Biden in April 2023 reiterated that, despite recent sanctions designations on Hezbollah affiliates, “we remain discouraged by the ongoing political deadlock, engineered by Hezbollah and its allies, like Nabih Berri.”

The Biden Administration could use existing authorities to designate additional Lebanese officials for sanctions—for example, pursuant to E.O. 13441 (2007), “Blocking the Property of Persons Undermining the Sovereignty of Lebanon or Its Democratic Processes and Institutions,” originally designed to target Syrian officials interfering in Lebanese elections. To date, U.S. sanctions related to Lebanon largely have targeted Hezbollah and its affiliates, rather than members of Lebanon’s political class. The United States has on rare occasions designated Lebanese politicians, including Gibran Bassil (leader of the Free Patriotic Movement) pursuant to E.O. 13818, which implements the Global Magnitsky Human Rights Accountability Act, and two former cabinet ministers: Ali Hassan Khalil (Amal) and Youssef Fenianos (Marada Movement), pursuant to E.O. 13224, for providing material support to Hezbollah and engaging in corruption.

**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 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.”

---


102 “Fireside Talk with Barbara Leaf the U.S. Assistant Secretary of State about Lebanon and the region,” May Chidiac Foundation, March 26, 2023. Available at: https://www.youtube.com/watch?v=FsDwF2sFpA.
Author Information

Carla E. Humud
Analyst in Middle Eastern Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS’s institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.