

# Lebanon's Malaise

Augustus Richard Norton

Whether the focus is politics, society, peace, human capital or the economy, conditions in Lebanon reflect general malaise. The government has a heavy debt burden, and economic growth prospects for the next year and a half are dim. Leading politicians avoid seizing the initiative for fear of annoying neighbouring Syria, and blatant nepotism and corruption is rampant. As the likelihood of a definitive end to the Arab–Israeli conflict recedes, last-in-the-queue Lebanon is unable to shake off its Syrian ‘protectors’ or attract needed investment capital. Many Lebanese, and especially the generation of young adults, many of whom were born during the 1975–1990 war, condemn confessional politics for its denigration of citizenship. One’s life chances are shaped by the accident of being born a Sunni Muslim, Greek Orthodox, Maronite Christian, Shi’i Muslim or belonging to one of the 15 remaining recognised confessions that comprise Lebanese society. Of course, Lebanon’s multi-layered political, social and economic stagnancy is not without influential beneficiaries, men who serve at the pleasure of powerful friends in Damascus and who thrive in the game of confessional politics.

Meanwhile, the middle class is growing poorer and the exodus of skilled Lebanese continues. Even throughout 15 years of civil war, the educational system stayed afloat, reflecting the deep Lebanese commitment to educating their children, which for the middle class means private, not government, schooling. The last straw for many middle-class families is that they can no longer afford tuition. With a population of three and a half million, there are far fewer Lebanese living in Lebanon than even conservative projections forecast a decade ago. In a region where rates of annual growth typically exceed 3%, Lebanon barely sustains 1% annual population growth and that increase is credited to its poorest families.

Although the internal war ended a decade ago, this small but complex country is both a geopolitical prize and a potential site for proxy violence. Israel ended its occupation of southern Lebanon in May 2000 as a direct result of a highly effective Lebanese resistance movement, but with a quarter of a million

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Palestinian refugees stemming from the first Arab–Israeli war of 1948–49, the fate of Palestine bears directly on the prospects for peace in Lebanon. With the eruption of Palestinian unrest in autumn 2000, Israel watches Lebanon with a wary eye.

The emergence of *Hizbollah* (The Party of God) – the core of the resistance whose attacks made Israel’s occupation in South Lebanon untenable – as a taunting, implacable foe and an compelling exemplar for young Palestinians, is a dynamic new factor that has profound implications both for Israel and its traditional adversaries. If the events of the first nine months of 2000 are any guide, the Lebanese government will continue to be unwilling, if not incapable, of charting a new path unless the path is consecrated by ‘sisterly Syria’. This is all the more unfortunate, since Syria is not likely to transcend its own systemic economic problems or produce imaginative solutions to its diplomatic impasse with Israel.

### A new chess game

Stagnancy notwithstanding, the strategic terms of reference have changed dramatically. Israel’s unilateral withdrawal from Lebanon has reconfigured the chessboard. Israel clearly preferred to leverage its declared intention to leave Lebanon in order to reach an agreement with Syria. Unilateral withdrawal was Prime Minister Ehud Barak’s default strategy, not his preferred one. In the Arab world, as well as in Israel, considerable hope was invested in the Geneva meeting between Presidents Bill Clinton and Hafez al-Asad in March 2000. Substantial concessions by Syria and by Israel in January 2000 were summarized in a leaked US memorandum.<sup>1</sup> For Syria, the sole significant stumbling block was Israel’s reticence to withdraw to the cease-fire line as existed after the Six Day War began on 4 June 1967.

The ailing Syrian president expected that he would find a deal waiting for him in Geneva, but the deal on offer was not the one he had in mind. Israel was unwilling to return Syria’s waterfront property fronting on Lake Tiberias, Israel’s most important watershed. Clinton faithfully summarised the Israeli offer, apparently confident that al-Asad would accept the territorial compromise. He did not. Within five minutes of its opening, the Geneva meeting was effectively over.

Arab political commentators argued *post hoc* that Geneva was a skilfully laid trap intended to undermine the impression that Syria was serious about peace, and to facilitate Israel’s exit from Lebanon. These suspicions may concede more skill and perceptiveness to either Israel or the United States than is warranted. In both cases, recent diplomatic forays by Clinton, however well-intended, seem more like cramming for an important exam than the product of careful, sustained study. Barak probably doubted that he could sell the withdrawal that al-Asad envisaged to the Israeli public, and he simultaneously presumed – incorrectly – that the old Syrian leader’s unrelenting insistence on the return of all occupied territory was not his end game.

The US, concluding that Barak's offer was the most that Israel would put on the table, and finding Syria's position inflexible, asserted that 'the ball was in Syria's court' and made no serious attempt to engage the Syrians in further negotiations, despite clear and increasingly frantic signals from Damascus in April and May that the *suq* (market) was still open, provided that all occupied Syrian land was returned. Syria's respected Foreign Minister Faruq al-Shara' emphasised that while Syria would not compromise over land, resources, namely water, were imminently negotiable. Similar signals came from the heir apparent, Dr Bashar al-Asad, who succeeded his father in June.

For its part, there is no question that Syria badly misread the situation as well, specifically Israel's willingness to leave Lebanon without an agreement. One obvious cost of Syria's blunder, and Lebanon's by extension, was an absence of serious, tough work to prepare for the contingency of an Israeli withdrawal. Certainly in Lebanon, no government official wished to be seen planning for an eventuality that undermined Syria's interests, especially when those same officials seemed to believe Israel was not serious.

Reality dawned in early April when Israeli Foreign Minister David Levy notified United Nations Secretary-General Kofi Annan that Israel would comply with Resolution 425. From cynicism and suspicion, the mood changed to panic, which was clear to see even on the face and in the words of the usually unflappable and steady Faruq al-Shara'. Lebanon and Syria's reaction to the looming Israeli withdrawal suggested for a time to some observers that they preferred the occupation to continue. This perception by Egyptian Foreign Minister Amre Moussa produced a tiff between Lebanon and Egypt in early April.

Most experts both inside and outside of Lebanon predicted chaos when Israel withdrew. This did not happen. Given the Lebanese government's derogation of responsibility of security in the border area, *Hizbollah* succeeded in filling the vacuum created by Israel's withdrawal. This not only buttressed respect for the party in the Arab world, but also earned a grudging respect in a number of western governments. If Lebanon's most senior leaders seemed intent on making themselves look as foolish as possible, *Hizbollah* behaved with cool aplomb. Stereotypes induce myopia, and security-oriented policy analysts failed to comprehend that *Hizbollah* had grown into a sophisticated political party, with a significant social base in Lebanon. Thus, *Hizbollah* has much to lose if chaos erupts in Lebanon. When Kofi Annan visited Beirut in June he met and conferred with *Hizbollah* Secretary-General Hassan Nasrallah in recognition of the crucial role that the party was coming to play in Lebanese security. Annan left with a statement of *Hizbollah's* cooperation in sustaining security and an expression of support for the United Nations force in the south. The Lebanese government refused to offer comparable statements.

Hassan Nasrallah noted publicly that he would deny Israel the pretext to hit Lebanon. *Hizbollah* shrewdly bided its time until the fortuitous eruption of violence between Israel and the Palestinians in late September, when Ariel

Sharon's visit to the Temple Mount sparked the widespread protests and outbursts of violence in the West Bank and Gaza.

### The question of Palestine

Well before Israel's unilateral withdrawal, *Hizbollah's* stock in the Arab world grew enormously. As the Israel Defense Force (IDF) scrambled to leave southern Lebanon in May before its proxy militia either totally collapsed or turned its guns on its erstwhile allies, *Hizbollah* became a model for emulation. In May, Nasrallah invited Palestinians to follow the path blazed by *Hizbollah*, while he was careful to emphasise that the task lay in the hands of the Palestinians. *Hizbollah's* in-principle espousal of the Palestinian cause was initially more words than substance, notwithstanding frequent Israeli assertions that the organisation was lending support to Islamist groups in Palestine, such as *Hamas*. Once the Palestinian uprising gained momentum, *Hizbollah* had the opportunity to lend substance to its words.

Within the *Hizbollah* leadership there was a debate between reformers and revolutionaries over the role of the party in the post-withdrawal phase. The reformers wished to exploit *Hizbollah's* hard-won political capital for gains in the domain of Lebanese politics. In contrast, the revolutionaries were enthralled by the wider canvas of Islamist politics, especially *vis-à-vis* enemy Israel. This was a replay of the fateful 1992 debate over the issue of participating in Lebanese elections, which is now widely viewed in the party as a watershed, but this time the revolutionaries won. The Lebanese scholar Nizar Hamzeh argues that the party's Political Bureau was deadlocked over post-withdrawal strategy, and had to seek the decision of Iran's leader, Ayatollah Ali Khamenei. Since the reformist landslide in the February 2000 *majlis* (parliament) elections, the Iranian cleric has been reasserting control over Iranian foreign policy, reclaiming a domain of policy that he had conceded largely to Iranian President Mohammad Khatami in 1997. Not unexpectedly, he resolved the debate in favour of a broader regional role for *Hizbollah*. He was, in any case, reaffirming the obvious.

*Hizbollah's* trademark yellow flag, which features a fist holding aloft a Kalashnikov rifle, is now flown by Palestinian young bloods in the West Bank and Gaza, where Nasrallah's inflammatory exhortations to rise up against the Israelis, 'to kill and be killed', sometimes finds a receptive audience. In Palestinian hearts hardened by endemic poverty, Israeli occupation and Arafat's corruption-ridden Palestinian Authority, *Hizbollah's* model of guerrilla warfare is not without appeal. Who can say to what extent Arafat's back was stiffened during August at Camp David by Israel's unconditional withdrawal from Lebanon? No doubt, the hardening of the Palestinian position and, specifically, Arafat's unwillingness to compromise Palestine's claim to sovereignty over East Jerusalem palpably reflects the events in Lebanon. The exuberant support for *Hizbollah* must be unsettling to Arafat, whose commitment to the Oslo process was grounded in fundamental concessions of principle. For that matter, despite *Hizbollah's* self-avowed coordination of its

policy with Syria, Damascus cannot be wholly at ease with *Hizbollah's* dynamic and spectacular ascendancy either. Syria's penchant in Lebanon has been to keep things at a slow boil and to undermine any group's attempt to achieve dominance over the country.

### Lebanese Government Strategy

Meanwhile, in Beirut there is a transparent strategy at work, namely, to induce Israel to negotiate with Syria. Arguing that only a comprehensive agreement between Israel, Syria and Lebanon will create a structure of peace, President Emile Lahoud has steadfastly refused to 'protect Israel's border'. This represents the reversal of long-standing Lebanese policy, which demanded the unconditional implementation of Security Council Resolution 425 (specifically, the 'forthwith withdrawal of Israel's forces', 'restoring international peace and security' and 'the return of [the government's] effective authority' in the south). Unlike Security Council Resolution 242, which specifically calls for negotiations, the government has long insisted that the onus in case of 425 lies solely on Israel, with no requirement for negotiations. In this way, the Lebanese sought to avoid becoming enmeshed in wider, messier negotiations. Now, in contrast, Lebanon has tied its wagon to the Syrian caravan, and the full implementation of 425 now awaits Israel's complete withdrawal from the occupied Golan Heights.

Over the course of its occupation Israel routinely adjusted the border to exploit the best terrain from a military point of view. Thus, the Lebanese government insisted on an exacting metre-by-metre confirmation of the border, all the while insisting that the line of withdrawal established by United Nations authorities did not accurately reflect the international border. In fact, UN envoy Terje Larsen was sometimes too ready to accept Israeli assertions about the border line. While the United Nations confirmed Israel's withdrawal in June, the Lebanese government imposed a torturous process for lending its assent. Even when the line of withdrawal ('the blue line') was grudgingly accepted in August, the government still refused to deploy military forces to the border. To emphasise the government's refusal to accept the responsibility for military security in the south, those modest military forces that were deployed were placed under the overall command of the Internal Security Forces, a paramilitary formation that reports to Interior Minister Michel Murr. Simultaneously, the government has accepted *Hizbollah's* argument that it not only has a continuing role to play in protecting Lebanese security, but that it can be more effective than the army since it suffers fewer constraints on its actions.

The Lebanese government's stance has won it no friends in Washington, where the most affable view is that the Lebanese government is irrelevant, given Syrian hegemony in Lebanon. Less charitably, the Lebanese government behaved with remarkable disregard for the welfare of its own citizens in order to serve Syria's interests. It is not hard to envisage the reaction and disdain of people who have suffered through the long and dangerous years of Israel's

occupation, as well as the preceding period during which Palestinian militias dominated southern Lebanon.

To the surprise of many Lebanese, there are a number of cartographic anomalies on the Lebanese–Syrian border, including Lebanese villages accessible only from Syria. One other anomaly is an area of the Israeli-occupied Golan Heights adjacent to the southern village of Shebaa (a village that is famous as smuggling centre). Known as the Shebaa farms, this area is formally Syrian territory but it is owned by Lebanese according to titles issued decades ago. In April, after a hiatus of 50 years, Lebanese politicians led by Speaker Nabih Berri picked up the question of recovering this territory. Lebanese claims to the Shebaa farms, while not groundless, also serve to emphasise that, even after it has withdrawn from Lebanon, Israel cannot escape the imperative of negotiations with Syria (and Lebanon). When the issue of the farms first emerged in April 2000, Prime Minister Salim al-Hoss was known to chuckle at Speaker Nabih Berri's efforts to find a way to protect Syria's interests in the face of Israel's withdrawal. *Hizbollah* insiders described the issue as stemming from a fax (that is, from Syria) and clearly the issue has more to do with Beirut's submissive relationship with Damascus than it does with redressing claims that have been unrequited for half a century. Lebanon has no credible files on the case of the farms, a total of 18 agricultural plots owned by Lebanese. All official maps, including dozens of different maps that the Lebanese government has routinely approved in conjunction with the renewal of the UN Interim Force in Lebanon (UNIFIL) mandate, show the Shebaa farms to be in Syrian territory.

### **By way of prologue**

Despite the lack of cooperation from Beirut, for over four months following Israel's unilateral withdrawal from southern Lebanon in May 2000, the Lebanese enjoyed uncommon peace. No Lebanese were killed by hostile fire and no Lebanese soil was bombarded by Israel. The skies over Beirut enjoyed a respite from the demonstrative overflights of Israeli jets crashing through the sound barrier. With the exception of the Fatima gate, where Lebanese and Palestinian refugees gathered to chuck stones, and, less commonly, firebombs (or, in the case of one over-exuberant Beirut man, a cell-phone) into Israel, the border enjoyed a nervous calm. The Fatima gate was one of many crossing points that the Israeli army constructed to sustain the occupation of southern Lebanon, which formally began in 1985, but effectively originated in the 1970s. No doubt, the calm would have continued, was it not for the escalating disturbances in Palestine and Israel, where by late October well over 120 Palestinians (mostly civilians) had been killed, mainly by the IDF. (A number were killed by armed settlers or by Israeli mobs. As of 23 October, a total of eight Israelis had been killed, of whom half were civilians.)

As protests mounted throughout the Arab world, it seemed only a matter of time before some of the 260,000 Palestinian refugees living in Lebanon would seize an opportunity to vent their anger. They did so on 7 October at the small

Lebanese border village of Ramiye, but not without transportation assistance from *Hizbollah*. Israeli army sharpshooters, like their confederates in the West Bank, Gaza and within Israel itself, answered stones and Molotov cocktails with deadly force. The result was two dead Palestinian demonstrators and the spark for which militants in *Hizbollah* were waiting. Despite the triumph of ending the occupation, *Hizbollah* had unfinished business with Israel.

After a cross-border exchange of fire sparked by the killing of the two Palestinian civilians, *Hizbollah* launched a carefully planned and complex operation in a contested portion of the occupied Golan Heights. In an operation that was in varying degrees both brilliant and dangerously provocative, *Hizbollah* captured three Israeli soldiers. The skilful use of diversionary fire was so successful that the Israeli forces did not even realise that their troops had been captured until nearly an hour after the trio was spirited away from the border region. The operation occurred in the disputed Shebaa farms.

*Hizbollah's* operation was not simply motivated by deep-seated hatred towards Israel, but by a calculated and coordinated strategy that aims to demonstrate Israel's weakness and vulnerability, and thereby bring Israel to the negotiating table with Syria as well as to achieve *Hizbollah's* goals. Since the Israeli withdrawal, the major unfinished business is the repatriation of 19 Lebanese prisoners who are still held by Israel. Israel has relentlessly sought to learn the fate of Lieutenant Ron Arad, who was captured in Lebanon in 1986 after his aircraft was downed. (Although Arad was captured alive, there has been no news of his whereabouts for more than a decade.) The longest-term captive is Sheikh Abdul Karim 'Ubayd, a fiery young cleric who played an important role in the resistance until he was snatched in the southern town of Jibsheit by Israeli commandos in 1989. 'Ubayd was joined by Mustafa Dirani who was kidnapped from his village of Qasr Nabaa in the Biqa' valley in 1994. Dirani was the head of the Believer's Resistance, a pro-*Hizbollah* group that held Arad in 1989. He is widely suspected of being responsible for the 1988 capture, torture and killing of US marine Lieutenant Colonel William R. Higgins, who was serving as an unarmed UN observer at the time.<sup>2</sup> There is little doubt that, barring a miraculous rescue operation, Israel will negotiate a deal in order to recover its soldiers, just as it has negotiated similar arrangements in the past (with German and Red Cross facilitation), including two series of body and prisoner exchanges with *Hizbollah*. The return of Dirani and 'Ubayd would be an enormous political coup for *Hizbollah*, and the likelihood of precisely this happening increased when *Hizbollah* announced, in mid-October, that it held a fourth Israeli, who *Hizbollah* described as an Israeli colonel.

*Hizbollah* takes delight in telling Israel as little as possible, and initial reports indicated that Elhanan Tannenbaum was kidnapped in Europe. This would be risky business for *Hizbollah*. One can argue that the Shebaa farms operation, while infuriating to Israel, respected Israel's international border and enjoys a degree of legitimacy due to the locale, the target and the context in which Israel has held hostages for many years with the rationale that they are enemies of

Israel and bargaining chips for the release of information regarding Ron Arad. In contrast, if an Israeli citizen were kidnapped from Europe, it would be entirely another matter. For months following the Israeli withdrawal, *Hizbollah* has ridden on a crest of popularity, and its imposition of order in southern Lebanon coupled with its restrained behaviour (but unrestrained rhetoric) earned the party respect in novel locales, including within western governments. However, whatever Tannenbaum's active or past connections to the Israeli security apparatus, his kidnapping would obviously violate international norms and sacrifice *Hizbollah's* claim to moral legitimacy and also put the security of Lebanon and Lebanese at risk. Thus, after delighting in the confusion that *Hizbollah's* announcement caused in Israel, Secretary-General Hasan Nasrallah announced that Tannenbaum had been seized in Beirut, where he had travelled after being duped by a double agent. After initially condemning the kidnapping of a citizen, once *Hizbollah* filled in the details and alleged that its captive was a Mossad agent, Israel put a lid on the story and left *Hizbollah's* version of events unchallenged.

Whether *Hizbollah's* operation in Shebaa farms or its capture of Tannenbaum was closely coordinated with Syria is an open question, but there is little doubt coordination occurred, despite plausible arguments to the contrary. Syrian officials evinced public surprise at the October episodes, and even against the background of burgeoning violence between Israelis and Palestinians, Syria has persisted in emphasising its desire for a negotiated settlement with Israel for the return of the Golan Heights. Leading Syrian officials also appear to understand that Israeli threats to hold Syria responsible for violence emanating in Lebanon are serious. Often reliable Iranian sources indicate that Bashar al-Asad complained to visiting Iranian Foreign Minister Kamel Kharrazi about *Hizbollah's* actions.

On the other hand, *Hizbollah* forthrightly emphasises that it routinely coordinates with Syria, and it is obvious from a series of private discussions with leading *Hizbollah* officials that the party leadership is deeply conscious of Syria's strong hand in Lebanon. It would be extraordinary for *Hizbollah* to launch an operation of serious magnitude without Syrian assent. After months of not lending Syria's weight to Lebanon's claims to the Shebaa farms, President Bashar al-Asad spoke out in early October supporting Beirut's position, thereby lending legitimacy to *Hizbollah's* operation.

The Lebanese explicitly embraced *Hizbollah's* actions. President Emile Lahoud angrily rejected Secretary-General Kofi Annan's criticism that the *Hizbollah* operation had violated UNSC Resolution 425, the 1978 resolution that Israel belatedly embraced when it hastily completed its withdrawal in May 2000. In doing so, he made Lebanon effectively complicit in *Hizbollah's* operation. Lahoud demanded that Israel must release its Lebanese captives, as well as withdraw from the Shebaa farms. If the Beirut government has been full of bluster, it has not dissuaded leading public intellectuals from voicing their fear that Lebanon risks becoming an arena for conflict, once again.<sup>3</sup>

If the structure of security remains intact, it is also fragile. The balance of deterrence that exists between *Hizbollah* and Israel, the political (versus the



normative) interests of *Hizbollah*, the stability-oriented perspective of Syria, and Israel's obvious willingness to negotiate for the release of its four citizens argue against an eruption of violence for the moment. Also important is the public mood in Lebanon where many people, including leading politicians, argue publicly that Palestinian resistance has its place in Palestine-Israel, not in Lebanon. The events of October occasioned new threats by Israel against both Lebanon and Syria, and fresh expressions of concern from Lebanese officials that Lebanon stay on the sidelines.

Virtually all of the Palestinian camps in Lebanon are surrounded by the Lebanese army, so concerted military operations are unlikely. Small scale guerrilla operations are another matter, and *Hizbollah* has the capacity to facilitate these operations, if it chooses to do so, which it has on one or two occasions already. In the process, it stands to sacrifice much of its impressive base of political support in Lebanon if it miscalculates and provokes a punishing Israeli response. As the Oslo process comes to a crashing end, much now turns on the Shi'i party's ability to understand Israel and its capacity for distrusting its own rhetoric about Israel's weakness.

### The Economy

The civil war was a bounty of horrors, but people also prospered in a war economy that was awash with cash. The infusions came through the then-formidable Palestine Liberation Organisation (PLO), as well as myriad outside players who kept their claws in the Lebanese game. The long-awaited recovery has not occurred. The tourists, the banks, the businesses have only returned in disappointing numbers, and only romantics still believe that the Beirut of old, the crossroads and entrepot may be recreated. Overseas Lebanese, curious and sentimental visitors to their homeland once the fighting stopped, ran up land prices, enjoyed the *mezze* and *araq*, and then went home. Few productive investments are made.

Sectarianism, fuelled by endemic political patronage, is arguably stronger today in Lebanon than during the war. There are several reasons for this, including an economic crisis that makes patronage all the more essential, and the Syrian preference for keeping things at a low boil. Deadly boundaries – green lines – are thankfully history, but inter-sectarian boundaries remain. Reconciliation, despite commendable initiatives, is, as yet, only a slogan. Many of those uprooted by the conflict have yet to return home permanently.

Corruption is hardly unique to Lebanon, but the blatancy of its practice is stunning. Men of modest means as recently as the early 1980s, now sleep in mountaintop castles where they greet their favour-seeking minions and oversee domains penetrated by the television signals of stations that they own.

Agriculture, always neglected by the state, has suffered over the past decade. Lebanon finds it hard to compete in the export market, and even in the internal market imports from neighbouring Syria undercut Lebanese farmers. In the Biqa' valley, a bread basket for the Roman Empire and Nirvana for smokers of hash, farmers find it hard to eke out a living now that the drug trade has been suppressed. Were it not for transfers from overseas Lebanese,

many of these people would be unable to survive. Of course, this observation is not limited to a specific region or sect: transfer payments have long been a staple of the budget of many Lebanese household budgets. What is unique in the northern Biqa' and the North, for that matter, are the hardscrabble lives that people live there. (The South, in contrast, is much more highly developed, thanks to infusions of Shi'i money, largely from Lebanese merchants in Africa.)

Those who possess the means to enjoy the stylish restaurants and the latest cafes and to take in the most breathtaking views may not notice, but the fact is that there is much poverty in the country. 1999 estimates place 28% of the population below the poverty line, compared to 15–25% in Syria. Unemployment estimates range from 18–20%, but these numbers significantly understate underemployment. Lebanon may have its charms, but the government has no social conscience and provides no safety net for the poor. One turns to the family and a variety of sectarian charities for assistance.

Significant sums, \$5m a day by the most conservative estimates, leave the country in the pockets of undocumented Syrian workers who number anywhere from 500,000 to one million. The Syrian labourers typically do the work that Lebanese refuse to do – sweeping streets, street vending, construction – but their unregulated presence is a major irritant to the Lebanese. Although GDP per capita has fallen in real terms, at nearly \$5,000 it is only slightly above 25% of Israel's figure, but twice that of neighbouring Syria.

The prospects for an economic recovery are poor. Although global growth predictions for this year and next are respectively 4.5% and 4%, comparable estimates for Lebanon are respectively 0.5% and 1.5%. Part of the problem stems from a public debt of more than \$21bn, or 140% of GDP. Half of government income, or more, goes to debt servicing. High budget deficits and the scope of the public debt explain Standard and Poor's September decision to lower Lebanon's credit rating. This places Lebanon on a par with Brazil, Bulgaria and Turkey.

Lebanon was banking on a donor's meeting planned for October. The meeting was intended to capitalise on increased international attention on Lebanon in the aftermath of the Israeli withdrawal but it had to be cancelled due to lack of interest on the part of donors, who preferred to wait for a new government to be formed following the August–September parliamentary elections. Lebanon prepared a \$1.2bn reconstruction and development plan, but many donors found it insufficiently detailed and lacking in mechanisms for transparency. The receptiveness of significant international players also reflects a negative assessment of the government's handling of the pre- and post-withdrawal phase.

### **Ruining a Pre-Cooked Election**

Blame for Lebanon's enormous debt burden falls on the shoulders of Prime Minister Rafiq Hariri, just beginning his second stint as head of government, after two years in opposition. When he came to office as prime minister in 1992, the much-awaited peace train appeared headed for the station. A decade

earlier, the first time that many Lebanese heard his name was when he financed a clean-up of a country still staggering from the Israeli onslaught of 1982 and holding its nose in deference to years of accumulated refuse. He was then an optimist, expecting, like so many others, that the final chapter was over. Of course, it was not. A decade later, his optimism was renewed.

Hariri embarked on a massive rebuilding of infrastructure, including an extraordinary resurrection of the Central District. The results are impressive to see, but the peace train was derailed along the way, leaving the country in dire financial straits. When he left office in 1998, few Lebanese regretted the demise of a government marked by sensational corruption in addition to huge bills. Hariri's supporters, including an impressive stable of young intellectuals, argue that he has learned his lesson. Even so, few expected that Syria would permit the relatively independent Hariri (estimated to be worth in excess of \$20bn) to return as prime minister.

The mediocrity of Salim al-Hoss's government, coupled with general stagnancy, helped to convince many people that Hariri's time had come again. One leading opposition figure notes that Hariri casts so large a shadow that he makes his opponents appear midgets. As the August and September elections approached, public support for Hariri was building, thanks in part to a bottomless campaign fund. The little-liked Interior Minister Michel Murr made no pretence that the elections would be fair, and warned Hariri against an 'immodest victory'. 'Even the support of 70 parliament members will not be enough to get Hariri the prime ministry slot, because everyone knows how a prime minister is manufactured in Lebanon', Murr observed.<sup>4</sup>

In the event, the Lebanese surprised even themselves by their ability to upset plans for a pre-cooked or choreographed elections. Resentment of the government was intense, especially for the economic mess that Lebanese is in, and the bumbling subservience to Syria did not help either. There are three main Sunni Muslim politicians in Beirut (and the Prime Minister must be a Sunni), so General Ghazi Kanaan, the publicity-shy Syrian pro-consul in Beirut, oversaw the drawing electoral of districts to permit simultaneous victories for Tammam Salaam, the son of a prime minister, Salim al-Hoss, the incumbent, and Rafiq Hariri. Smart money bet that Najib Mikati, from the northern city of Tripoli, was Syria's choice to head the new government, but the outcome in Beirut confounded this preference. Hariri proved to be a steamroller. He captured every seat in Beirut, and crushed his two major Sunni opponents. Elsewhere, opposition candidates captured a few seats that they were expected to lose, but otherwise the pre-cooked election held. An election alliance – encouraged by Syria and Iran – between *Hizbollah* and its rival Shi'i group *Amal* – stifled any hopes that *Hizbollah* had of capitalising on its leading role in liberating the South. Indeed, the imposed alliance was no doubt grist for *Hizbollah* revolutionaries who could argue that any role that they might play in Lebanon would be necessarily constrained.

The big story was Beirut, and despite the president's stated distaste for Hariri, he was left with no choice but to follow the constitution – which now gives the parliament the lead in selecting the prime minister – and appoint

Hariri. The interesting contest was over the allocation of cabinet positions. Hariri is constrained to make room for voices friendly to Syria, and although he adamantly opposed certain personalities, the principle remains. For instance, he would not permit Michel Murr to remain in the cabinet, but he accepted Murr's son Elias (who is also the son-in-law of the president).

Hariri has been careful to cultivate good ties in Syria, including Abdul Halim Khaddam, the senior vice-president who long handled the Lebanon portfolio until Hafez al-Asad passed the portfolio to his son. Press reports indicate a warming with Bashar, to whom Hariri has promised as much as \$400m in foreign investment for Syria. The Syrian economy, still largely state-dominated, is in pitiful shape, and Lebanon's ability to contribute to the restructuring and rejuvenation of Syria's economy may encourage Syria to tread more lightly in Lebanon.

### **Straws in the Wind**

For a quarter-century, both Syria and Israel, in addition to other regional and international powers, have been deeply involved in Lebanon. Syria's overt involvement began in 1976 when it intervened to maintain the balance of power in Lebanon, while Israel lent early support to presumed Maronite allies in the early period of the war. Over the course of the 1990s, Syria consolidated its influence in Beirut with, it should be added, at least implicit US acceptance. As Israel shed itself of grandiose objectives in Lebanon, it came to accept the logic of Syrian control. Since the late 1980s, no serious decisions have been made in Beirut without reference to Damascus. The well-worn route between the two capitals is testament to the prudent penchant of Lebanese politicians to consult sisterly Syria.

General Ghazi Kanaan, the senior Syrian official resident in Lebanon, has inserted himself into the intricacies of Lebanese politics, sometimes to the extent of 'reinterpreting' or adjusting the constitution when necessary. This happened when the President Elias Hrawi reached the end of his constitutionally prescribed six-year term in office and could not lawfully succeed himself. His term, under Kanaan's instructions, was extended by an 'exceptional' three years.

Syria's role in Lebanon has been justified on two bases: To quell inter-sectarian conflict and to confront the Israeli presence. Israel's occupation, supplemented by periodic attacks on Lebanon's infrastructure, and the periodic bombing and shelling of much of the south and southern Biqa' valley, as well as the repeated displacement of hundreds of thousands of civilians, not only served to discourage sane investors, but justified Syria's hand in the game. The second justification has been effectively erased by the end of the Israeli occupation of southern Lebanon, aside from the red herring of Shebaa farms. The first rationale is increasingly being questioned.

Even before Syria's 'trump card' disappeared and Hafez al-Asad died in June, one could sense a new mood in Lebanon, a willingness to question publicly Syrian hegemony in clear language. Syrian diplomatic fumbling

certainly invited such questioning. The failure of the Geneva summit sent shock-waves through Lebanon. It was the only time that this writer has seen Ayatollah Mohammad Husain Fadlallah, the influential Lebanese Shi'i cleric speechless. 'We were surprised', he revealed, 'we all expected an agreement'.

There have been periodic public demonstrations against the Syrians, as well as occasional assaults and bombings against Syrian workers, but other than student demonstrators that sometimes have provoked gross overreactions by the security forces, few have attracted much public comment. Followers of the exiled General Michel Aoun, who, as acting president, mounted a 'war of liberation' against Syria, only to be forced into exile after a vicious Syrian counter-attack during the Gulf crisis, mounted an innovative protest in July. Capturing public resentment of undocumented Syrian vegetable vendors, the Aounists organised greengrocer kiosks to compete directly with Syrians. One banner read: 'The seller is Lebanese, the produce is Lebanese, the money is for Lebanon.' Many of the protesters were arrested for vending without a licence. Since the Syrian vendors do not bother with licences and permits, the arrests only added to the litany of complaints.<sup>5</sup> If the protests have attracted only passing notice, the really interesting development has been a burgeoning debate among the Lebanese about Syria, which invokes many voices, and wide interest.

Christian voices have been the loudest, but this does not mean the sentiments are restricted to one sect. To be fair, there are divergent views within each of Lebanon's confessional communities. The important fact is that Syrian hegemony is less likely to be taken for granted than it was not too long ago. Silence has ended. People are now saying things publicly that they would never have said in the past, except to their most trustworthy friends. Syria has not chosen to lash out at its detractors, which either reflects the degree to which the Syrian regime continues to be distracted by Bashar al-Asad's continuing and hardly seamless consolidation of power, or a retrenchment of the Syrian position, and probably both. Either way, political space for debate has opened up in Lebanon and the terms of reference for Beirut's relationship with Damascus are being marginally reshaped. It is certainly in keeping with the behaviour of successor authoritarian regimes to temporarily hint at or promise broadened freedom as a means of easing the transition and consolidating power. Whether the reshaping will have profound strategic consequences, or is merely a blip on the screen of Syrian hegemony, is not clear.

The crisis in Israel-Palestine has momentarily stilled the debate, but there is no question that it will resume. The fundamental demand has been for dialogue about the bilateral relationship, which includes both political and key economic issues (regulating Syrian workers, preferential treatment for Syrian goods entering Lebanon and restrictions on Lebanese exports to Syria).

The protagonists include clerics, confessional leaders, politicians and important voices in the press. A leading newspaper publisher and editorialist, Gibran Tueni, helped to crystallise the debate by publishing a widely discussed open letter to Bashar al-Asad in March. 'I tell you frankly', he wrote, 'many

Lebanese consider the Syrian performance in Lebanon as completely against the understanding of sovereignty, honour and independence'.<sup>6</sup> The Maronite bishops joined the debate in the summer, demanding the withdrawal of the Syrian army, denying that Syria's presence prevents another civil war, and pointing out that Syria contributes to the economic crisis. Cardinal Nasrallah Butros Sfeir, head of the Council of Maronite Bishops argued: 'The people know that their country is not ruled by its own people, and that the Syrians dominate everything.'<sup>7</sup>

In an extraordinary statement, the Council of Bishops declared: 'After Israel's withdrawal, isn't it time for the Syrian army to redeploy here in preparation for its final withdrawal in accordance with the Ta'if Accord and UN Security Council Resolution 520?'; 'Is it necessary that this army remain deployed near the Presidential Palace, the symbol of national dignity, as well as the Defence Ministry and other sensitive places?'; 'Those who dare express what they feel are tracked down by intelligence services ... many people have been locked up in Israeli and Syrian prisons for a long time and have been given numbers instead of their names.'<sup>8</sup> Sfeir has pursued the issue relentlessly: 'If we go back in history, we will clearly see that the Lebanese war was neither religious nor civil, in spite of what has been reported. It is known now who was fighting whom. That is why the war is being described as the war of others on Lebanese soil. It is also known who benefited from these wars.'<sup>9</sup>

Not unexpectedly, such words have evoked a strong response from pro-government voices, including the president, who has tried to argue that dialogue is important, but it is purview of government, not citizens. Many have accused the proponents of dialogue of resurrecting confessionalism, but this is a peculiar charge, given the patent role that Syria has played in sustaining sectarian divisions. Predictably, advocates of dialogue have been accused of being agents of Israel or the United States, and while these charges are not taken as serious statements of fact, they do warn advocates of the risks they run by advocating dialogue. One of the severest critics of the advocates of dialogue has been Nasrallah, who argues that the Lebanese are not blameless for their situation. Outsiders have not done all the killing, and the civil war in Lebanon was not simply a 'war of the others'. 'If we didn't have sectarianism, we wouldn't have had the Syrians', Nasrallah observes.<sup>10</sup>

Perhaps the most revealing comment was made by Abdel-Hamid Beydoun, head of the *Amal* Political Committee and a Member of Parliament from the southern city of Tyre. 'The lessons of 6 May still loom', he asserts, referring to the broad public protests of 1992 that toppled the government of 'Umar Karami.<sup>11</sup> What he means to say is that he fears the moment when the public rejects the government's fictions and goes onto the streets. One senses that he is not alone in his apprehension, for only a deluded Lebanese politician could be ignorant of the public's contempt.

Support for dialogue has also emerged from unexpected quarters. The Druze leader Sheikh Walid Jumblatt (whose father was assassinated by the Syrians) called in mid-September for a Syrian troop pullout, the return of anti-

Syrian Christian leaders and dialogue.<sup>12</sup> The Greek Orthodox Patriarch Ignatius IV Hazim, whose seat is in Damascus and usually leans toward Syria, supported the principle of dialogue in early October, although he did not endorse the call for a Syrian withdrawal. 'Silencing voices won't improve conditions' he noted.<sup>13</sup> By the same token, former Prime Minister 'Umar Karami has endorsed a national dialogue.

## Conclusion

The civil war in Lebanon ended more than a decade ago, but there has yet to be a serious national debate about the nature of the society or the state. The inchoate dialogue about Lebanon's relationship with Syria seems to signal the start of a larger debate, a debate that just may help to rescue the country from its malaise. There have always been competing conceptions of what Lebanon means – that has been both the bane and the strength of the country. There is no appetite for walking once again to the abyss of civil war. The generations that survived the war have no taste for it and the youngest Lebanese want a different country altogether. Future generations could, conceivably, jump once again into the abyss, but that leap will be less likely if the Lebanese confront their situation head-on.

Much depends on Syria, whose tight grip has loosened only slightly. According to the terms of the Ta'if accord that ended the civil war, Syrian forces were to redeploy by 1992. They have never done so. No doubt, international pressure will build on Syria to comply. Strong statements by France and the US underline that the justification for Syria's military presence in Lebanese no longer is convincing. Syria under the new leadership of Bashar al-Asad may find it hard to climb out of the status quo. If so, neither Syria nor Lebanon is likely to see much change in their conditions. Strong economic incentives may change minds in Damascus, and Lebanese entrepreneurs have an obvious role to play, but so does the international community. If these two countries are left to stew in their own juices, neither will look different in five years than it looks now.

Formal peace, the wan hope of some ordinary Israelis, Lebanese and Syrians, is less likely than a tense condition of not quite war, not quite peace. While the upsurge of violence in Israel–Palestine, as well as the capture of Israelis by *Hizbollah* has strained the structure of deterrence, it is a tribute to both sides that they have been careful about physical boundaries. Neither the interests of Israel nor of Lebanon and Syria will be served by a resurgence of the cross-border violence that scarred the last several decades. That is only a small beginning, a modicum of security, but it may suggest a path out of the malaise.

## Notes

<sup>1</sup> *Ha'aretz*, 13 January 2000

<sup>2</sup> By far the most valuable account of the hostage era in Lebanon is Giandomenico Picco, *Man without a Gun* (New York: Times Books, 1999).

<sup>3</sup> Gibran Tueni, 'Tawazin al-khauf been al-ra'ib al-jamaa'i wa salaam al-jamaa'i [Balance of fear between collective anxiety and collective peace]', *An-Nahar*, 12 October, 2000.

<sup>4</sup> *New York Times*, 3 September 2000.

<sup>5</sup> *Daily Star*, 10 July 2000

<sup>6</sup> *An-Nahar*, 23 March 2000.

<sup>7</sup> *An-Nahar*, 22 August 2000.

<sup>8</sup> *Daily Star*, 21 September 2000.

<sup>9</sup> *Daily Star*, 2 October 2000.

<sup>10</sup> *Daily Star*, 29 September 2000.

<sup>11</sup> *Daily Star*, 2 October 2000.

<sup>12</sup> BBC News, 'Syria Hits back at Lebanese bishops', 22 September 2000.

<sup>13</sup> *Daily Star*, 4 October 2000.