# **Continuous Crisis in Lebanon**

Sunday 10 October 2021, by **DAHER Joseph** (Date first published: 7 October 2021).

It has now been well over a year since the criminal explosion of August 4, 2021 in Beirut's port. The blast caused roughly two hundred deaths and thousands of injuries, and led to the resignation of Prime Minister Diab. A new government was formed in mid-September 2021 by billionaire Prime Minister Najib Miqati, with the support of the main neoliberal sectarian ruling parties. The new Prime Minister is a symbol of the class rule that underpins these parties and is the richest man in the country, while his family's holding company M1 Group [1] pledged in September to spend USD 330 million over the next three years to expand the Myanmar telecom business it's buying from Norway's Telenor ASA—a purchase, I should add, that was initiated after the Burmese military seized power in February 2021. His name was mentioned alongside hundreds of other Lebanese officials, politicians, and businessmen in the latest Pandora Papers leak, revealing how the international financial elite hide their wealth in usually opaque offshore tax havens. Lebanon's three hundred and forty-six companies are actually the most faithful client of Trident Trust, a specialist in offshore company domiciliation. By comparison, the United Kingdom, which comes second, is far behind with one hundred and fifty-one companies.

#### Contents

- Economic and social crisis in
- Neoliberal sectarian parties
- No accountability for the
- Where is the resistance?
- Conclusion

His nomination and new government stand in opposition to the objectives of the Lebanese October Uprising in 2019, which sought to overthrow the neoliberal sectarian system. Political representation in Lebanon is organized along sectarian lines at the highest echelons of the state. [2] This system (like all instances of sectarianism) is one of the primary instruments used by the ruling neoliberal parties to strengthen their control over the popular classes, keeping them subordinated to their sectarian leaders. The Lebanese neoliberal sectarian ruling parties have maintained their hegemony on the political scene for decades based on two main factors on which they rule: sectarianism and neoliberalism.

Nearly two years after the eruption of the uprising, the ruling parties' domination over large sectors of society is still very much in place, while they have extended some forms of services to their popular base in the midst of the continuous weakening of the state and the deepening of the economic crisis. At the same time, the new government has also received the blessing of France and Iran, which were both active and involved in the negotiations for the formation of the government. The newly designated Prime Minister's first trip abroad was accordingly to French President Macron in Paris. On their side, the United States welcomed "the announcement that Lebanon's leaders have agreed to form a new government under the leadership of Prime Minister-designate Najib Miqati."

In this context, the progressive groups and organizations within the protest movement that erupted

in October 2019 are facing ever greater difficulties in organizing and constituting a democratic and popular alternative capable of challenging the neoliberal sectarian parties.

# **Economic** and social crisis in the country

The socio-economic situation in the country has continued to worsen in all aspects. The rate of poverty <u>increased tremendously</u> from twenty-five percent in 2019, to seventy-four per cent in 2021. Lebanon recorded one of the highest inflation rates in the world in 2021, with a rise of 137.8% in the consumer price index between August 2020 and August 2021, and the devaluation of the Lebanese pound by 90% since the beginning of the crisis.

This situation is mainly the result of the depreciation of the Lebanese pound (which was trading in September at around 15,000 LP to one USD, nearly ten times the official rate of 1,507.5 LP to one USD) and the incremental lifting of subsidies, especially on oil derivatives, since June and should be completed in the upcoming weeks. A supply card has been adopted in June 2021 by the parliament as a form of direct financial aid intended to serve as a substitute for the subsidy mechanisms put in place in October 2019 by the Bank of Lebanon, measures designed to limit price increases in certain imports: wheat, fuel, medicines, and even medical equipment. By October, nearly 500,000 families will have received an average of USD 93 (or its equivalent in Lebanese pounds) at the open market rate. Neoliberal sectarian parties have been trying to use this new scheme to serve their clientelist interests and their own popular bases.

Social and health consequences can be seen everywhere, especially in a country with fifty-five per cent of the population not covered by any form of health insurance. The share of Lebanese households deprived of health care surged to thirty-three percent from nine percent in 2019, while the share of families who are unable to obtain medicines has increased to fifty-two percent. The majority of hospitals are also lacking medicines and operating at less than fifty percent of capacity because of their lack of energy resources. In addition, nearly forty percent of qualified doctors and thirty percent of nurses have already left the country permanently or temporarily, just in the last few months, due to the continuous deterioration of their living and working conditions.

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Foreign workers subjected to the *kafala* system, which deprives them of their basic civil and human rights, also saw their conditions deteriorate considerably. The majority of these workers are women from African and Southeast Asian countries. Their demands for repatriation have recently increased, especially after hundreds of them were recently abandoned by their employers and dumped in front of their consulates, often without money, food, or even their official documents. A number of obstacles prevent many people from leaving, including the cost of airfare, unpaid wages, and the failure of employers to return passports to many migrant workers.

Similarly, Syrian refugees have continued to suffer impoverishment and forms of abuses. Nearly 91% of them live on less than USD 3.80 a day. Out of every ten Syrian refugee families, nine have reached levels of extreme poverty, compared to only 55% last year, according to Unicef. At the same time, they continue to be pressured by the state and some political actors to return to Syria, despite the continuous violations of human rights by the Syrian dictatorship. [3]

Meanwhile, the repression against the protest movement increased over the course of 2020 and 2021. The Internal Security Forces and Parliament Police did not hesitate to use excessive force—including live ammunition, rubber pellets, and tear gas—against peaceful protesters on several occasions, while failing to protect them from armed supporters of neoliberal sectarian political parties. Lebanese authorities also harassed journalists and activists, including through the use of defamation laws and the undue restriction of people's right to exercise their freedom of expression. Between October 2019 and June 2020, security and military agencies interrogated seventy-five individuals, including twenty journalists, in relation to spurious charges of defamation—but all they had done was to criticize authorities in social media posts. But none of these agencies are mandated with investigating issues of free speech!

# Neoliberal sectarian parties trying to consolidate their power

The COVID-19's pandemic and economic crises represented an opportunity for neoliberal sectarian parties to consolidate and/or maintain their popular basis, after increasing criticisms following the October 2019 Lebanese uprising. Dominant neoliberal sectarian parties engaged in various campaigns such as sanitizing public spaces, distributing food to the needy, and raising awareness in an attempt to restore their image, but without the same financial capacities and reach.

The Lebanese Forces led by Samir Geagea, for instance, provided bread and petrol vouchers to its members and supporters, alongside a health support system in various regions, such as Zahle and Bcharre, where they distributed medicines for free and guaranteed other forms of drugs at a reduced price. Ziad Hawat, a businessman and MP of the party, also funded a form of public transport network in the region of Jbeil. Meanwhile, the Progressive Socialist Party (PSP) headed by Walid Jumblatt [4] also delivered food boxes, fuel, and aid in the Chouf region. The allotment of anti-COVID vaccines was also employed as a form of political clientelism. The Qubayyat town council, in the northern region of Akkar, announced in late March 2021, for example, that it would vaccinate some of its residents with Chinese vaccines secured thanks to a donation from Saad Hariri's family, who heads the Future Movement. [5]

In this context, Hezbollah has been one of the main actors benefiting from the financial crisis, largely due to its extensive networks of institutions and resources, which have expanded continuously since the late 1980s. With the deepening economic crisis in Lebanon since October 2019, Hezbollah also launched or supported several charitable initiatives targeting low-income households throughout 2020 and 2021. These include cooperative grocery shops known as *Makahzen Nour*, which are only accessible to customers holding discount cards provided by the party (and their guests), and an expanded number of loans from the institution al-Qard al-Hassan, which became the largest microcredit organization in the country in the aftermath of the October 2019 financial crisis. This institution now employs nearly five hundred people and has around thirty branches throughout the country, almost all of them in predominantly Shi'a areas. The association had more than 400,000 contributors and allocated over 200,000 microloans in 2019 alone, totaling USD 500 million.

The dual use of coercion and consent allowed ruling neoliberal sectarian parties to maintain their hegemony over wide segments of the popular classes, particularly in the absence of any political alternative since the end of the Civil War.

The party maintained and increased its social assistance to its Shi'a base throughout 2020 and 2021 as a way of reconsolidating its hegemony over this population. In April 2021, Hezbollah began distributing a card called "al-Sajjad" to assist people in need. This magnetic card is used in the al-Nour cooperatives owned by the party, which are otherwise off-limits. The al-Sajjad card holder receives discounts on food products. According to Hezbollah MP Hassan Fadlallah in April 2021, the party delivered direct assistance to fifty thousand impoverished families.

Moreover, Hezbollah imported fuel from Iran via Syria to ameliorate the growing fuel crisis in the country. The Iranian fuel from Syria's Baniyas Port was taken to the warehouses of the US-sanctioned, Hezbollah-affiliated Amana Fuel Company. Hezbollah is offering a month's supply of the fuel for free to some institutions in need, including public hospitals, the Lebanese Red Cross, Civil Defense Forces, and orphanages—while offering them to others at prices slightly cheaper than on the black market. They presented this whole operation as a "victory against the 'economic blockade'" imposed by the US and its allies inside the country. All of these actions contribute to the Hezbollah's strategy of acting as a state within a state.

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Meanwhile, the main tasks of the new government are to organize new elections, which will be held at the end of March 2021, and to implement "economic reforms," by which they mean new rounds of privatization and austerity measures. Prime Minister Miqati has actually declared that one of the main tasks of his government would be to "implement the French initiative," which had proposed (in September 2020) a series of economic reforms in return for international aid. This "French initiative" is based on the Paris conference held in April 2018—"Conférence économique pour le développement, par les réformes et avec les entreprises," known as the CEDRE — which pledged more than \$11 billion in loans and grants for Lebanon. In return for these funds, the Lebanese government must commit to developing public-private partnerships, notably in the electricity sector, reducing debt levels, and imposing austerity measures. The dominant neoliberal sectarian political parties agree with these measures, despite their rivalries. Discussions between the Lebanese government and the International Monetary Fund were also expected to restart. The Lebanese Ministry of Finance has actually already stated that it was in favor of an agreement on an appropriate recovery plan to be supported by the IMF, enjoying broad support from the international financial community.

# No accountability for the explosion

The impunity of the neoliberal sectarian political elites for the criminal explosion of August continues to this day. The investigation has not been able to go forward or incriminate a single official. Moreover, multiple potential witnesses have been assassinated.

The investigation was actually suspended for a month after the former judge in charge of the investigation indicted the former Prime Minister Hassan Diab, still in office at the time (December 2020), and three former ministers for negligence. Mr. Diab and former ministers Ali Hassan Khalil and Ghazi Zeaïter, who are also members of Parliament, refused to attend their summons, and the latter two lodged an appeal against the magistrate, which forced the suspension of the investigation altogether. The ruling neoliberal sectarian political parties, including those charged, accused the former judge of violating the constitution by bypassing Parliament. They insisted that the four people concerned had been charged "selectively" via "political targeting." Meanwhile, Hassan Diab declared that his indictment aimed "beyond the person, a position," implying that it was an attack on the Sunni community. The next day, Saad Hariri, the mufti of the Republic Abdellatif Derian, as well as the former Prime Ministers Tammam Salam and Fouad Siniora, met with him in a show of support.

In mid-January 2021, the prosecutor was allowed to resume his investigations, but a few weeks later he was removed by the Lebanese Cassation Court as the outcome of a complaint filed by the two aforementioned former ministers, both of whom he had accused of criminal negligence. The court based its decision in part on damage to the former judge's own home from the port explosion, which it said had raised questions about his impartiality. A new judge was rapidly appointed, Tareq Bitar, in an attempt to calm increasing frustrations, especially those of the victims' families, regarding the lack of any results in the investigation. However, Judge Bitar has been facing similar obstacles from the various ruling neoliberal sectarian parties in his willingness to question and prosecute political personalities. He notably charged four former ministers, three of whom are members of Parliament, but faced Parliament's refusal to lift their immunities. Some of the security officials who are set to appear before the judge have also been protected by the political class. Because of these actions, Judge Bitar has been accused, much like his former colleague, of seeking to politicize the investigation. Amnesty International, among other international organizations, denounced this "blatant obstruction" of justice by the Lebanese authorities, with the investigation into the tragedy facing numerous obstacles and interference from the ruling political class.

The head of Hezbollah's Liaison and Coordination Unit, Wafic Safa, threatened that he would "get rid of" Judge Bitar. Moreover, some MPs have also instrumentalized sectarianism as a means of protection. The former Minister and current MP Nohad Machnouk, from the Future Movement, tried to portray the investigation as a Christian-Muslim conflict in an attempt to delegitimize the case. Judge Bitar was even notified in late September 2021 of a temporary dismissal of the case of the double explosion at the port of Beirut, following a request for recusal presented against him by former ministers. The Beirut Appeals Court however rejected in the beginning of October requests to remove Judge Tarek Bitar from the investigation. Threats against him have nevertheless continued.

In this political context, amid deep economic crisis and the absence of any viable political alternative, sectarian parties will be able to mobilize their confessional bases and maintain

This impunity of the ruling neoliberal sectarian class permits similar other criminal catastrophes. In August 2021, a new criminal explosion occurred in the north of the country, in the village of Tleil in the Akkar, which killed about thirty people. It was deprivation and misery that drove hundreds of young men from Akkar to rush to a gasoline tank under the cover of the night, left at their disposal by the army, to obtain a few liters against in the context of a shortage, before the explosion of the fuel tank. The most impoverished governorate, Akkar, which has the highest illiteracy rate and the lowest per capita income, has all the characteristics of a relatively isolated rural community with poor infrastructure, low quality education, and deficient health services. Following the tragedy of August 15, three MPs from the region, Tarek el Merhebi, Walid Baarini and Assaad Dergham, were singled out by the local population as accomplices, or even masterminds, of the smuggling activities, traditional in this region, which have plunged Akkar into the abyss. These MPs come from large feudal families that have held sway over the region for many years without, however, bringing the slightest concrete form of development to its inhabitants. The first two come from Saad Hariri's Future Movement, and the last one from the Free Patriotic Movement, affiliated with President Aoun.

## Where is the resistance?

The protest movement has been weakened considerably since October 2019, although it never completely petered out despite state repression, the financial crisis, and the pandemic. Despite this dissipation, some small victories have been secured. In late 2020, university student elections saw significant victories (e.g. American University in Beirut; Saint Joseph University; Lebanese American University) of independent, democratic, and secular lists opposed to all of the ruling neoliberal sectarian parties, many of which decided not to run candidates. In addition, a coalition called "The Order Revolts" brought together various political groups from the uprising and various independent parties, winning fifteen out of twenty seats in four departments of the Order of Engineers and Architects, as well as 220 of 283 representative seats against the alliance of almost all ruling neoliberal sectarian parties, which had formed a united list—despite failing to form a government since August 2020.

However, the continuous absence of mass non-sectarian organizations and parties rooted in the country's popular classes remains the main problem in the protest movement. They do not yet exist and that weakens the movement's ability to cohere itself into a social and political challenge to the neoliberal sectarian parties and their system.

The various sectors of the left and progressives are very fragmented within the protest movement and have not been able to build a united front capable of channeling demands and organizing demonstrators across the country. The creation of dual power is an urgent political necessity in order to challenge the state and the sectarian, bourgeois political parties. On their side, the more liberal and right-wing sectors of the movement, which do not have a class analysis, have multiplied attempts to organize themselves, such as the agreement signed in June 2021 between the Bloc National and the Minteshreen group by advocating a liberal discourse close to the center-right and likely to seduce a bourgeoisie eager for change but resistant to the means required to achieve it.

At the same time, some sectarian parties such as the Kataeb, and to a lesser extent the Lebanese

Forces, are still trying to portray themselves as part of the protest movement and to seek to ally with some liberal actors. This weakened the appeal of the protest movement for radical change, while increasing tensions within the movement because many considered these parties to be major components of the sectarian system. These parties are seeking to reinforce their positions in the state's power structure rather than changing it altogether. The members of the Lebanese Forces actually physically assaulted members of the Lebanese Communist Party during a protest, while Kataeb's supporters also harassed protesters in a demonstration.

Furthermore, the weakness of trade union structures poses a recurring problem. Sectarian parties have, as argued in a previous article I wrote for *Spectre*, actively contributed to weakening the trade union movement since the 1990s. Public sector employees were largely underrepresented, just one percent of protesters in the beginning of the protest movement according to Lea Bou Khather and Rima Majed, while the public sector today employs roughly 300,000 civil servants—fourteen percent of the total labor force. This was mostly connected to the role of sectarian clientelism in public sector employment, but also the cooptation of the Union Coordination Committee (UCC) in 2016 and the rapprochement of its leadership with the ruling elite. For instance, in January of this year, the UCC suspended a strike against the draft budget, which notably includes the reduction of the Lebanese University budget and threatens the social security of its professors, after meeting with Finance Minister Ghazi Wazni, who agreed to amend some clauses of the draft budget. However, several trade unions, including the Association of Full-Time Lebanese University Professors, consider these amendments to be merely cosmetic, insisting that they do not meet their demands. They therefore voted to continue their strike.

In this political context, amid deep economic crisis and the absence of any viable political alternative, sectarian parties will be able to mobilize their confessional bases and maintain their hegemony in future elections.

### Conclusion

The momentum of October 2019 has waned, and many Lebanese are now focused on meeting their primary needs. The diverse sectarian parties have been able, at different levels, to maintain hegemony over their religious communities through various mechanisms, whether using consent or violence, in order to bind the interests of subaltern classes to their party structures and their interests. They have continuously, despite their rivalries, worked to prevent the construction and consolidation of any forms of social or political alternative during and outside elections periods, particularly regarding labor movements and other proletarian forces.

The sectarian nature of the state, accompanied by the promotion of neoliberal policies, is an obstacle to the rise of a working-class alternative from below, capable of challenging the ruling bourgeois sectarian parties. In this perspective, the ruling parties will use the next elections as a way to try to regain some legitimacy, both locally and internationally.

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### P.S.

Spectre

https://spectrejournal.com/continuous-crisis-in-lebanon/

#### **Footnotes**

[1] M1 Group is a holding company of the billionaire Mikati family, which includes Najib Mikati. According to its website, M1 Group has investments in South Africa-listed telecom firm MTN Group Ltd. and fashion retailer Pepe Jeans. It also holds property in New York, London, Dubai and Beirut. See:

https://www.bloomberg.com/news/articles/2021-09-04/mikati-s-m1-to-invest-330-million-after-buying-telenor-myanmar

- [2] The president is required to be Maronite, the prime minister Sunni, and the president of the chamber of deputies Shia.
- [3] In mid-September, Maronite Patriarch Bechara al-Rahi, for instance, claimed that Syrian refugees do not want to go back to Syria and that they prefer to stay in Lebanon, despite the fact that their country is now safe according to him. This would mean that their return should not be voluntary, and that the Lebanese state should enforce it. In addition, Patriarch al-Rahi sent a letter to the Pope asking him to change his position on refugees, claiming that Syrian refugees in Lebanon are Sunni Muslims, which puts the country's defining features at risk. Amnesty International issued a report on September 7, 2021 in which it documented cases of torture, enforced disappearance, sexual violence, and death, targeting returnees to Syria over the last four years. The report concluded that "no part of Syria is safe to return to." See: <a href="https://www.facebook.com/MegaphoneNews/posts/2958351731049288">https://www.facebook.com/MegaphoneNews/posts/2958351731049288</a>"
- [4] In a study conducted by Gherbal platform published in 2021, the data collected at this period placed the leader of the PSP, Walid Joumblatt, at the top of the podium of politicians owning properties in Lebanon, with 505 properties in his name, mostly in the Chouf. His father, Kamal Jumblatt established the PSP in 1949.
- [5] Saad Hariri is the leader of the Future Movement and son of former Prime Minister Rafic Hariri assassinated in an explosion in 2005. Rafic Hariri had deep connections with the kingdom of Saudi Arabia, and had amassed a large fortune in the Saudi construction and public works sector. In Lebanon itself, he established an independent network of services and charitable activities, including the provision of education, healthcare, jobs, food and financial aid, targeting mainly Sunni but benefiting other communities as well. This business network gave him an important social base in the country's predominantly clientelist system. The Hariri family in Lebanon is the wealthiest family, with the Migati, in Lebanon.