Preserving the Lebanese Armed Forces Amid State Decline

Although continued pressure on the country's political elites is necessary, the U.S. government needs to find more immediate ways of helping soldiers and citizens by making creative use of State, Defense, and congressional authorities.

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June 9, 2021

When the United States and Lebanon convened the inaugural Defense Resourcing Conference (DRC) on May 21, the headline of the virtual meeting was that Washington had "renewed its commitment" to the Lebanese Armed Forces (LAF) by increasing its Foreign Military Financing (FMF) grant by $15 million, for a total of $120 million in fiscal year 2021. While the proposed boost is considerable, arguably more consequential were the DRC's discussions on how Washington might provide other kinds of assistance to the LAF. Amid Lebanon's deepening, self-inflicted economic crisis, the Biden administration is rightfully concerned about the integrity of the state's armed forces. The LAF plays a critical role in maintaining some semblance of domestic security through its counterterrorism work and policing of demonstrations. Yet according to a new World Bank report, the country faces a growing risk of unrest as its economy crumbles further.

Like its predecessor, the Biden administration is conditioning support for an IMF bailout in Lebanon on the implementation of financial reforms. Unfortunately, these reforms are unlikely to occur anytime soon, and without them, the state will continue its slide toward failure. Washington cannot prevent this deterioration—that is the responsibility of Lebanon's hapless political elites—but it can take steps to mitigate the humanitarian crisis and prevent the military from collapsing.

The LAF's Predicament

Although funding the LAF has been controversial at times because of the organization's collusion with and penetration by Hezbollah, such support has been a cornerstone of U.S. policy in Lebanon since the 2005 Cedar Revolution. Annual FMF to Lebanon has hovered just above $100 million over the past three years, buttressed by nearly $100 million in additional Defense Department spending on border security and training activities, as well as about $3 million in International Military Education and Training funds. This makes Washington the leading donor to the LAF, with U.S. largesse accounting for the vast majority of the organization's procurement budget.

Despite this assistance, the deterioration of Lebanon's economy has visibly affected the LAF over the past year and a half. Budget cuts have seemingly eroded its operational readiness, while hyperinflation on foodstuffs led the army to announce in June 2020 that troops would no longer be served meat at meals. Meanwhile, the nearly 90 percent devaluation of the lira has made each soldier's already-meager salary practically worthless, apparently spurring a spike in desertions, furloughs, and early retirements. During an unprecedented public address this March, LAF commander Gen. Joseph Aoun criticized the political leadership and lamented the suffering among the rank and file troops.

U.S. Response Options

With little hope that Lebanon's political elite will stop the economic hemorrhaging anytime soon, the Biden administration is looking for creative alternatives to support the LAF. The Defense Department already has some authorities in place to financially buttress the force's current operations, such as Section 1226 of the 2016 National Defense Authorization Act, which allows the Pentagon to reimburse Lebanon for border security efforts (Washington recently announced that a $60 million reimbursement was in process). And according to a State Department press release on the DRC, the delegations "discussed ways to leverage the full range of authorities under U.S. law" in order to provide the LAF with additional assistance. The dilemma for the U.S. government is that the Arms Export Control Act limits FMF to the procurement of "defense articles and services," which precludes Washington from supplementing LAF salaries or, indeed, paying any recurrent costs.

Despite these restrictions, the United States should consider several initiatives that could make a big difference in stabilizing the LAF:

- *Explore available Pentagon authorities*. The LAF's most urgent needs are paying salaries, fueling equipment, and feeding the troops. One potential avenue for such emergency assistance is through the use of Excess Defense Articles (EDA), an authority that enables the Pentagon to unload equipment it no longer needs to foreign partners at a considerable discount. For instance, the U.S. delegation at the DRC announced that three Coast Guard Marine Protector-class boats would be transferred to Lebanon in 2022. EDAs could also be used to transfer articles that the LAF typically purchases (e.g., Humvees, drones, helicopters), thereby freeing up space in the force's budget. Another option is to use the Pentagon's humanitarian relief authorities, which under certain conditions allow the department to donate excess nonlethal supplies and equipment to partner nations. Congress's annual Overseas Humanitarian, Disaster, and Civic Aid appropriation provides funds to help the department support foreign disaster relief operations (e.g., in August 2020, it donated over $2 million in supplies for the construction of COVID-19 response centers in Honduras).
- *Continue pressing for maritime border demarcation*. According to the World Bank, Lebanon's GDP dropped from $55 billion in 2018 to $33 billion in 2021, and the resultant erasure of revenue has corroded the country's finances and armed forces. One potential new source of revenue lies offshore, in the country's large but untapped deposits of natural gas. The most promising deposits are in waters disputed with Israel, and protracted negotiations on the matter have made little headway so far. Yet by showing a bit more flexibility on finding a maritime border solution, Beirut could generate significant revenues in relatively short order—a theme that Washington should continue to underscore in its public and private messaging to Lebanese authorities.
- *Support further LAF reforms*. Although the organization has already taken steps to cut discretionary funding, more can still be done in terms of austerity measures. For example, the 80,000-strong force currently has over 400 general officers. Compare that to the U.S. Army, which has nearly 500,000 active-duty troops but just 295 active-duty general officers as of 2020. Upon retirement, these Lebanese generals receive a one-time six-figure pension payout, as well as a monthly stipend and a car, driver, and free gas in perpetuity—an enormous drain on the LAF's recurrent funding. These payments can be deferred in the short term, but for the sake of future sustainability, the force needs to reassess its bloated senior officer corps.

- *Encourage other states to provide budgetary support*. The State Department's budget request for the next fiscal year seeks to increase Lebanon's allotment of Economic Support Funds (ESF) from $78 million to $112 million. The Biden administration should use this increase to galvanize regional partners into stepping up their own assistance. In recent years, Gulf countries have indicated they are no longer interested in providing financial support to Lebanon, largely because the state is dominated by Iranian-backed Hezbollah. Yet other states have offered modest help despite facing their own severe financial constraints—last month, for example, Iraq sent the LAF $2 million in cash. Washington may be able to convince the Egyptians to donate and raise funds for their Lebanese partner as well, building on Cairo's unprecedented $500 million pledge to help rebuild Gaza (though it is unclear how much, if any, of this generous undertaking will materialize in the end).
- *Explore sanctions against officials who prevent government formation*. Lebanon has been without a government since Prime Minister Hassan Diab resigned after the August 2020 Beirut port explosion, creating a political vacuum that has stalled reforms and exacerbated the humanitarian crisis. Following the disaster, French president Emmanuel Macron pledged to sanction local political actors who impede reform and government formation, but Paris has yet to follow through on these threats. Although French pressure is more meaningful to many Lebanese politicians than U.S. warnings, Washington can still prod the government formation process by sanctioning certain political elites, many of whom are allied with Hezbollah and are actively preventing the formation of a reform-oriented government.

Conclusion

Watching Lebanon's continued deterioration is difficult, but the decline is clearly attributable to what the World Bank recently described as "the disastrous deliberate policy inaction" of Lebanese political elites. Washington and its partners should therefore continue using carrots and sticks to press these elites into putting their country first, while maintaining the international insistence on reform as a prerequisite for a bailout. Admittedly, however, the track record of the ruling class provides little optimism that they will change their ways anytime soon. In the meantime, then, U.S. officials should prioritize creative measures that mitigate suffering among the general population and bolster the LAF, Lebanon's most functional government organization. Supporting the LAF is no panacea, but as the 1975-1990 civil war showed, the country's situation would be much worse if the military were to falter.

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