

Testimony

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Subcommittee on the Middle East and North Africa

U.S. Policy Toward Lebanon

Statement of

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Chairman Ros-Lehtinen, Ranking Member Deutch, distinguished members of the Subcommittee, thank you for inviting me to discuss United States policy towards Lebanon. Lebanon is on the front lines of our foremost national security interests and challenges in the Middle East, from the campaign to defeat the Islamic State in Iraq and Syria (ISIS) to our efforts to push back on Iran's destabilizing influence. Wedged between our close ally, Israel, to the south, and the brutal Assad regime in Syria to the north and east, a Lebanon that is stable, tolerant, moderate and prosperous, and whose government is in full control of its own sovereignty is crucial to advancing U.S. national interests in the Middle East.

Lebanon today faces three critical challenges: first, the spillover effects of the Syrian conflict, including the significant population of Syrian refugees in Lebanon and security threats from ISIS and other extremist groups; second, the activities of Hizballah, a designated terrorist organization that puts its own interests and those of its sponsor, Iran, ahead of the Lebanese people; and third, consolidating and strengthening a stable system of governance that guarantees the rights of all of Lebanon's citizens and can deliver essential services. Our strategy for helping Lebanon address these challenges is simple, but not easy: ensure that Lebanese security forces have the tools they need to prevent ISIS and other extremist groups from destabilizing the country, help build strong, legitimate state institutions capable of being responsive to all Lebanese people, providing assistance to alleviate the pressure from refugees, and working to diversify the economy.

Much has changed on the Lebanese political front over the last year. After 29 months of political gridlock and a presidential vacancy, the Lebanese parliament elected a former commander of the Lebanese Armed Forces (LAF),

General Michel Aoun, as president in October 2016. Since President Aoun's election last fall, a cabinet was formed under Prime Minister Saad Hariri, and Lebanon's formerly dormant government and parliament have gradually restored government functions and addressed some key issues that had long remained stagnant. Most notably, the Lebanese parliament passed a new electoral law in June. Parliamentary elections, which have not been held since 2009 due to security concerns and disagreement over the electoral law, are now slated for May 2018. The cabinet also approved a draft budget for the first time in 12 years, which is now in committee for final deliberation.

Lebanon's relatively new government presents both opportunities and challenges for U.S. interests. In July, President Trump welcomed Prime Minister Hariri to Washington. The two leaders discussed the challenges facing Lebanon, including the Hizballah's destabilizing influence, the threat of ISIS and other violent extremist groups, and the refugee situation. President Trump also expressed our government's deep concerns regarding Hizballah's activities, particularly those in Syria, despite Lebanon's policy of dissociation from the conflict. Both leaders committed to strengthening the bilateral relationship in the future and encouraging other international partners to support Lebanon as it faces these challenges.

But despite this recent progress, Lebanon's domestic politics remain divisive. Its governing system – a parliamentary republic with a de-centralized power structure, and leadership positions often allocated based on religious confession – is rife with corruption, conflicting political interests, and constantly shifting alliances. This includes Hizballah, which currently holds two cabinet ministries (Industry, and Sports and Youth) as well as 13 seats in parliament.

President Aoun and his political party, the Free Patriotic Movement, and some other political parties openly maintain a political alliance with Hizballah. . We have made clear to all of our interlocutors that we are troubled by the participation of a terrorist organization like Hizballah in Lebanon's government. Our relationship with the Lebanese government must be based on common interests and shared goals. Lebanon's government can only overcome its divisiveness by building strong institutions that can serve the basic needs of the Lebanese people and deliver essential services, a goal we share. A stronger, more stable Lebanon will be a better partner for us and for the international community.

Hizballah's role within the Lebanese government is a challenge for U.S. diplomacy in Lebanon. The organization continues to exploit institutional weaknesses and the ever-present threat of violence to expand its political power and force other parties to conform to its agenda. Although Lebanon's late 2016 formation of a government and its early achievements are positive steps, Hizballah remains one of the greatest threats to the stability of Lebanon and the region. As President Trump said in July, "Hizballah is a menace to the Lebanese state, the Lebanese people, and the entire region. The group continues to increase its military arsenal, which threatens to start yet another conflict with Israel...with the support of Iran, the organization is also fueling the humanitarian catastrophe in Syria. Hizballah likes to portray itself as a defender of Lebanese interests, but it's very clear that its true interests are those of itself and its sponsor -- Iran."

Hizballah also poses a threat to our friends in Israel. Hizballah's terrorist and military activities, as well as its efforts to expand its military arsenal, could trigger a conflict between Hizballah and Israel, as it did in 2006, that would destroy Lebanon's hard-won stability, and likely cause huge numbers of civilian

casualties. The continued existence of Hizballah's arsenal inside Lebanon is a blatant and egregious violation of numerous UN Security Council Resolutions. We have been firm with all of our Lebanese and international counterparts that this type of activity must stop before it creates a situation between Israel and Hizballah that would be impossible to de-escalate.

The U.S. government has taken a number of steps to push back on Hizballah's activities, including pushing for a strengthened resolution to renew the mandate for the UN Interim Force in Lebanon (UNIFIL) this past August. Ambassador Nikki Haley has made clear that we do not accept business-as-usual behavior from UNIFIL in light of the Hizballah threat. In the UNIFIL renewal, we secured language demanding that UNIFIL step up its patrols and inspections, and establish a more visible presence. Further, UNIFIL is now required to tell the Security Council when it runs into a roadblock or any other obstacle that prevents UNIFIL from carrying out its duties. If Hizballah stops a UNIFIL patrol, UNIFIL now needs to tell us when, where, and how it happened. Finally, the resolution calls for precise timelines and benchmarks for UNIFIL to help build up the Lebanese Armed Forces' (LAF) capacity, with the goal of eventually transitioning responsibility of southern Lebanon to the LAF. We are following up closely on the implementation of this resolution to ensure UNIFIL acts as mandated.

We are also implementing the sanctions authorities that Congress has provided to degrade Hizballah's capabilities, dismantle its global financial network, and deny Hizballah access to the international financial system. Before the passage of the Hizballah International Financing Prevention Act (HIFPA) in 2015, we had already targeted the nodes of Hizballah's global financial network by designating more than 100 Hizballah-affiliated individuals and entities. In May,

the State Department announced the terrorist designation of Hashem Safieddine, a key member of Hizballah's executive council, which oversees Hizballah's political, social, and educational activities. Two months earlier, in March, Kassim Tajideen, a prominent Hizballah financier and Specially Designated Global Terrorist, was arrested and is now facing charges in the United States. In June, the Department of Justice announced the arrest of two men in New York and Michigan who allegedly trained with and supported Hizballah's External Security Organization to gather intelligence on potential targets within the U.S. homeland and abroad.

As our CT Coordinator Ambassador Nathan Sales made clear on October 10, countering Hizballah's terrorist and criminal activities is an international effort. In the last several years, we have seen growing recognition around the world of Hizballah's true nature. The GCC, Arab League, Canada, and New Zealand have joined us in designating Hizballah as a terrorist organization. While the EU has sanctioned its "military wing," we continue to call on all governments to designate Hizballah in its entirety. Hizballah itself admits that there is no difference between its political and military elements. The United States has also made strides in working with our partners to counter the threat posed by Hizballah. We have worked with Europol to establish the Law Enforcement Coordination Group to help governments better understand Hizballah's modus operandi, and to foster the regional cooperation necessary to counter the group's terrorist and criminal activities around the world. We have also convened partners in Europe, South America, West Africa, Southeast Asia and the Middle East to discuss how best to use law enforcement and financial tools to disrupt Hizballah's worldwide terrorist and criminal infrastructure. And we look forward to seeing those discussions and information exchanges translate into concrete action.

A key aspect of our efforts to strengthen Lebanese government institutions lies in the security sector. In recent years, the LAF has emerged as a well-trained, well-equipped, and fully capable fighting force, and one that many Lebanese see as the sole legitimate defender of Lebanon thanks to U.S. assistance. The United States has provided more than \$1.5 billion in security assistance to Lebanon since 2006, the bulk of which goes to helping the LAF build its capacity to secure Lebanon's borders, counter violent extremism, and increase civilian security. Many of the highest ranking officers in the LAF have attended U.S. professional military education (PME) courses at various points in their careers, building professionalism in the LAF's officer corps. This long-term investment is showing clear dividends – with U.S. training and weapons, the LAF has increased its operational tempo, reinforced Lebanon's borders, and taken measures to counter the destabilizing effects of the Syrian conflict.

The LAF has repelled or contained numerous, serious incursion attempts by terrorist groups into Lebanese territory. It has been successfully protecting Lebanon's borders and fighting ISIS since ISIS first invaded in 2014. Most recently, the LAF executed a highly successful campaign in the Aarsal region, finally pushing the last pocket of ISIS outside its borders and demonstrating the value of our long-term investment in, and commitment to, Lebanon's military forces. What the LAF has accomplished in such a short time, and under such difficult circumstances, has kept ISIS and extremist groups from reaching further across the Middle East. Increasing the LAF's capacity as the sole legitimate defender of Lebanon's sovereignty builds confidence in the Lebanese state while reducing the influence of non-state actors.

Hizballah has taken notice of the LAF's newfound capabilities, and has responded by attempting to undermine the LAF – and also by trying to drive a wedge into the relationship between the United States and the LAF. Recent efforts to push ISIS out of Lebanon through the Aarsal and Ras Baalbek campaigns illustrate the complexity of the situation for both the LAF and the United States. In late July, during Prime Minister Hariri's visit to Washington, Hizballah unilaterally launched an offensive inside Lebanon to oust Fatah al-Sham terrorists (formerly al-Nusra Front) in the northeastern border town of Aarsal. When the LAF later launched its own offensive against ISIS in nearby Ras Baalbek, Hizballah launched a concurrent attack on the Syrian side of the border. Hizballah then allowed 600 ISIS militants and their families, who were within hours of being captured or killed by the LAF, to escape instead into Syria. This move generated outrage in Lebanon and across the Middle East. Hizballah has publicly engaged in military action inside Syria, supporting the brutal Assad regime and worsening a conflict that is driving much of the instability in the region. Lebanon now faces the added concern of trained and battle-hardened Hizballah fighters returning home from Syria.

We have firmly expressed, at every level of the Lebanese government, that Hizballah's attempts to undermine the LAF cannot be allowed to succeed. This relationship is more valuable now than ever, and the United States remains fully committed to helping Lebanon and the Lebanese people. We have made clear that there must not be any cooperation between the LAF and Hizballah. The goal of U.S. assistance is to strengthen the LAF as the sole legitimate defender of Lebanon. Now is the time to double down on our partnership with and investment in the LAF, as it expands its ability to fight extremists, defend the Lebanese multi-confessional, democratic system, and serves as a crucial partner to the United States in a complicated region.

Our close security cooperation extends beyond the LAF to Lebanon's Internal Security Forces (ISF), which is working to prevent threats to Lebanon, the United States and our allies. Over the course of 2017, the ISF has raided several terrorist cells and arrested suspects associated with ISIS. The State Department has provided more than \$125 million in assistance to the ISF to prevent, deter and investigate criminal and terrorist incidents. Through training and equipment provision, we have aided the ISF in becoming more effective and capable partners with U.S. law enforcement, and leaders in counterterrorism operations and major incident response. This assistance is provided to individuals that successfully pass foreign terrorist organization and gross human rights violations vetting, and the Department adheres to strict end use monitoring policies. With State Department assistance, the ISF is transforming into a modern, capable force conducting advanced counterterrorist operations, maintaining safety and security, and gaining the trust and respect of the Lebanese people.

Another concern for Lebanon is the impact of the Syrian crisis, which is driving an influx of refugees into Lebanon – where one out of five people today is a refugee. In a country the size of Connecticut with a pre-crisis population of 4.5 million, the influx of over 1 million registered Syrian refugees, in addition to the longstanding Palestinian refugee population, means that Lebanon is hosting more refugees per capita than any country in the world. With increased demands on Lebanon's weak infrastructure and public services and its economy burdened by the Syria crisis, the refugee situation is testing Lebanon's famed resilience for coping with crises. The international community must recognize the global public good that Lebanon is providing as a host to so many refugees, and continue providing humanitarian aid as a form of responsibility-sharing.

U.S. assistance to Syrian refugees – and our support for the Lebanese communities that have generously hosted them – has played a critical role in saving and sustaining the lives of people displaced by war, and has helped Lebanon maintain its tenuous political stability. Since the start of the crisis in Syria, the United States has provided nearly \$1.6 billion in humanitarian aid to deliver clean water, food, shelter and healthcare to Syrian refugees in Lebanon and to assist the communities hosting them – including nearly \$29 million in additional funding announced in September during the UN General Assembly and \$140 million during Prime Minister Hariri’s visit in July.

We applaud Lebanon’s generosity and commend the Lebanese government for maintaining its commitment to a policy of non-refoulement, though some in Lebanon are calling for a forced return of refugees to areas in Syria that are not free from the potential for violence. We also commend the Lebanese government for lifting a residency fee for registered Syrian refugees who arrived before January 1, 2015. We encourage Lebanon to permit all refugees to register with UNHCR and to lift the residency fee for those who arrived after 2014. We further commend Lebanon for enrolling 260,000 Lebanese and 195,000 refugee children in Lebanese public schools last year, including running – for the fourth consecutive year – a second school shift to make this happen. It is in our common interest to prevent the loss of an entire generation of young Syrians while helping the Lebanese government provide a quality education to all children.

Another key element of our strategy to help Lebanon over the long-term is to strengthen its national institutions, particularly by supporting its financial sector and diversifying its economy, expanding U.S. security assistance programs for

Lebanese security forces, and encouraging the effective delivery of essential services without graft. The Syria crisis has hurt Lebanon's economy by reducing regional trade and nearly eliminating its tourism industry.

Fortunately, Lebanon's banking sector -- the backbone of the economy -- remains strong and it is in our interest to keep it that way. Lebanon has worked closely with us to strictly enforce our anti-money laundering and counter-terrorist financing efforts to keep its financial system fully compliant and connected to the rest of the international financial system. It is also a regional leader of the Financial Action Task Force (FATF), and has revised its laws to comply with FATF and the Organisation for Economic Co-operation and Development (OECD).

The United States has also provided \$1.2 billion in economic and development assistance since 2006 to the Lebanese people. These funds have played a crucial role in promoting democracy, rule of law and good governance in Lebanon's institutions, as well as advancing access to education, clean water, and supporting social cohesion. This assistance bolsters the cohesion of the Lebanese people against the influence of extremist groups, and reduces tensions in local communities vulnerable to recruitment and support for such organizations. Of the \$110 million of economic development assistance provided to Lebanon in FY 2016, \$72 million helped to provide access to clean water and education to Lebanese host communities deeply impacted by the influx of Syrian refugees. For further details on this issue, I refer you to my colleague from USAID.

We also engage closely with our Lebanese partners in promoting economic development and innovation, including business-to-business ties to U.S.

companies. One major success story was in May 2017, when Philadelphia-based insurance company Cigna Corporation completed its acquisition of Zurich Insurance Middle East. Cigna intends its acquisition of Zurich to drive its expansion into Lebanon and the broader Middle East. The State Department's sustained advocacy on Cigna's behalf was instrumental in making this deal happen. The United States is now Lebanon's third largest trading partner – up from fifth place in 2015. Our robust commercial advocacy and U.S. export promotion efforts have made automotive, apparel, and franchising the leading sectors for U.S. exports to Lebanon. Embassy Beirut's Commercial Section has counseled over 100 U.S. companies since 2016 on undertaking new business opportunities in Lebanon. We are also encouraging Lebanon to find other ways to diversify its economy to better weather unpredictable financial downturns.

Madam Chairman and members of the committee, in these and many other ways, we are contributing to the stability, independence and security of Lebanon, which is as much in the U.S. interest as it is Lebanon's. Thank you for the invitation to testify before the Subcommittee. I welcome the opportunity answer your questions.