Introduction

Located off the eastern shore of the Mediterranean Sea, Lebanon is a Middle Eastern country currently facing vast amounts of social, economic, and humanitarian difficulties. Following recent disastrous events such as the COVID-19 pandemic, nation-wide protests, and an explosion in Beirut, the Lebanese public has found themselves in an endless cycle of suffering due to financial mishaps and governmental mismanagement.

The cycle in question began a long time ago, specifically in 1975. Briefly, during the last quarter of the 20th century, Lebanon experienced a civil war. Bordered by Israel and Syria, Lebanon has been in a state of political conflict for decades. The long-lasting sovereignty dispute between Israel and the State of Palestine has spilled over to influence Lebanese politics. Lebanon was used as a base of operations by Pro-Palestinians when tensions were at an all-time high in the Middle East. As a result, a civil war emerged after an armed group of Phalangists, a Christian militia backed by Israel, opened fire on a bus of Palestinians in the capital city, Beirut. The events that followed, including a full-scale invasion by Israeli and Syrian forces, led to approximately 120,000 fatalities and over 70,000 people were displaced. In 1986 the Tarif Agreement was signed, calling for the disarmament of all national and non-national militias within Lebanon. The agreement had one exception, Hezbollah. Subsequently, a wealthy businessman Rafic Hariri was elected Prime Minister, and tensions began to ease.
Hariri was assassinated in 2005. Four members of Hezbollah were indicted for the assassination, and the stable political state of Lebanon swiftly began to unravel. Along with political disputes came financial troubles. Lebanon’s import driven economy began to struggle, and debts began to pile up. Currently, Lebanon has the third-highest public debt to gross domestic product (GDP) ratio in the world, approximately 155% of its annual GDP, and an inflation rate of 120% (as of August 2020). However, it would not be fair to sum up Lebanon’s economic struggles with data. One-third of the population is living under the poverty line, and people are struggling to afford basic human needs such as food and shelter.

In response to the excessive poverty rates, the people of Lebanon took to the streets and began protesting for social and economic reform. This led to tensions escalating to an all-time high since the civil war. Amid these events, the COVID-19 pandemic began, and the situation continued to worsen. The government failed to provide an effective response to the virus while also attempting to suppress the protests. Finally, on the 4th of August 2020, in the capital city of Beirut, 2,750 tons of Ammonium Nitrate stored unsafely for 12 years ignited. A large explosion took place, leaving most of Beirut’s over 2 million citizens homeless. Following the disastrous event, the government of Lebanon formally resigned and is currently in caretaker status.

With no government to introduce legislation, a highly damaged infrastructure following the explosion in Beirut, a broken economy, high unemployment rates due to COVID, and on-going protests demanding reform, Lebanon is currently experiencing a cataclysmic crisis. A swift response from the international community is needed to relieve the people of Lebanon from the situation they are facing.

**Definition of Key Terms**

**Caretaker Government**

A government generally enters “caretaker status” after a catastrophic event that prevents the growth of the country on all fronts. A caretaker government’s ultimate aim is bringing an end to the suffering of the general public and paving way for the continuation of development. This form of government does not have electoral approval. Therefore, a caretaker government does not have the authority to introduce new legislation and make governmental decisions. This greatly limits the powers of a caretaker government and basically renders them functionless until a new government is formed.

**Inflation**

Inflation is an economic concept with vital importance to the situation in hand. Basically, it refers to the loss of a currencies purchasing power over time. The price of goods increases in relation to the worth of the currency resulting in lower living standards for citizens.
Background Information

Lebanon is in the midst of a disastrous crisis that requires an immediate response by the international community. Tensions are currently at an all-time high, similar to when the civil war erupted. The people of Lebanon are demanding social, economic, and political reform. However, the government is in no position to offer such reforms simply because there is no government. The United Nations must take action to end the on-going crisis and improve the living standards of the Lebanese people.

In order to better understand the situation, the issue can be divided into three sub-topics. Each of these three sub-topics focuses on a specific component of the problems currently facing Lebanon. These include the political, economic, and social aspects of the situation in Lebanon.

Political Aspects

All of Lebanon’s issues have begun on a governmental level. The government failed to manage the economy, please the people, and handle crises. This led to market failures, public protests, and the loss of human life. There are many reasons why the Lebanese government failed in terms of management. One that immediately comes to mind is corruption. The political elite of Lebanon have in the past displayed their tendency to prefer personal gain over the welfare of citizens. Lebanon has also been subjected to a substantial amount of outside influence due to its proximity to conflict zones within the Middle East. Let us begin by looking at the past to unravel the complicated political situation the country currently faces.

Lebanon declared independence from French occupation in 1943. The country then became home to a large number of Palestinian refugees displaced after the establishment of the state of Israel. During this period in time, Palestinians would frequently clash with the Israelis, and the Lebanese army would also occasionally battle the Palestinians. After years of unrest, the United States stepped in and managed to temporarily lower tensions within the region.

Civil War 1975 - 1989

In 1975, following the massacre of Palestinian refugees by a Christian militia known to be backed by Israel in the capital city of Beirut, civil war broke out. The conflict was mainly between Pro-Palestinian and Pro-Israeli proxy groups. After one year, the Lebanese government requested that Syria send troops to Lebanon in order to ease tensions. These troops were called the Arab Deterrent Force. Afterward, Israel invaded the south of Lebanon but swiftly withdrew its troops following major international backlash. However, the situation continued to worsen after Israel decided to fully invade Lebanon in retaliation for an attack on the Israeli ambassador to Britain. Israel's primary targets were the Palestine Liberation Organization (PLO) and Hezbollah. In 1982 Pro-Israeli Bachir Gemayel was elected president. However, he was assassinated by Pro-Palestinian fighters before taking office. His brother Amin Gemayel then took his place. A series of Palestinian and Israeli massacres and attacks on American
and French targets ensued. Amin stepped down in 1988 and appointed General Aoun as interim prime minister. However, Salim al-Hoss, the prime minister at that time, refused to step down. Two factions based on religion arose: those supporting the Christian General Michel Aoun and those supporting the Muslim Salim al-Hoss.

Finally, in 1989 the Taif Agreement was signed, bringing an end to the civil war. One of the most significant accomplishments of the Taif Agreement is the successful disbandment of all militias in Lebanon, except Hezbollah. Hezbollah was designated a “resistance force” rather than a militia due to their efforts to deter the initial Israeli invasion in the south.

Overall, the Lebanese Civil War remarkably displays the country's continuing political struggles. The troublesome climate established following the civil war, along with the presence of hostile factions within and outside its borders is of great concern to the well-being of the country.

Hezbollah and Corruption

Hezbollah has been caught in the middle of almost every political crisis Lebanon has faced since the civil war. The organization consists of two branches. The Loyalty to the Resistance Bloc acts as the political wing of Hezbollah, and the Jihad Council is the paramilitary wing. Hezbollah’s political component separates the group from other insurgencies around the world, and the actions of the Jihad Council bring to mind the actions of a terrorist group.

Widespread corruption is present within Lebanon’s political elite, and Hezbollah greatly contributes to this corruption. Hezbollah’s presence in the Lebanese Parliament has also led to sanctions by the United States. Due to the US’s designation of Hezbollah as a terrorist group, even though the US maintains a semi-positive relationship with Lebanon, Hezbollah’s seats in the parliament are not looked upon favorably.

Furthermore, the political elite of Lebanon are infamous for corrupt deals favoring personal gain. For example, what can be interpreted as a state-sponsored Ponzi scheme was carried out by the Central Bank, leading to approximately 100 billion dollars missing from the banking system. Lebanon is currently in 137th place out of 180 on Transparency International's Corruption Perceptions Index with a total score of 28 out of 100. The Lebanese government has refused international investigations into major events such as the explosion in Beirut.

All in all, there is a great deal of corruption within the Lebanese political system. Hezbollah's presence is a significant factor in high levels of corruption due to the group's affiliation with various criminal and terroristic activities. For further developments to be made favoring the Lebanese public, the issue of corruption must be addressed.
Government Resignation

Following the Beirut incident, on the 10th of August 2020, Lebanon’s government officially resigned. The entirety of the cabinet quit and entered “caretaker status”. A caretaker government does not function like a government. The main aim of a caretaker government is to maintain peace and order following a catastrophic event, such as an explosion. This form of government does not introduce new legislation and is not allowed to properly govern as a result of not having electoral approval. Ex-Prime Minister Hassan Diab stated, “I have discovered that corruption is bigger than the state and that the state is paralyzed by this (ruling) clique and cannot confront it or get rid of it” during his resignation speech on national television.

Lebanon’s lack of a government has led and will continue to lead to a great deal of issues. The collapsed economy has been left abandoned, and the Lebanese people continue to suffer the consequences. Instability is present on all levels and with no government to lead the country through these troubling times, achieving sustainable development is simply out of the question.

Currently, elections of a new Cabinet are nowhere in sight. The resignation of the government has led only to an increase in protests demanding reform. Uncertainty continues regarding Lebanon’s political state as the general public suffers the repercussions of a government resignation.

Economic Aspects

Following the Lebanese Civil War, the economic state of Lebanon began improving. In 2009 Lebanon’s economic growth rate of real gross domestic product (GDP) was at an all-time high at 10.23%. However, it only went downhill from there. Currently, Lebanon’s GDP growth rate is -12.02% which entails a crash of the economy. There are various factors that have contributed to the worsening economic state of Lebanon. Let us begin by examining these factors and their consequences.

Import Based Foundation

Lebanon has a highly import driven economy. According to the World Integrated Trade Solution (WITS), Lebanon imports a staggering amount of goods worth 19,982,944.05 in thousands of US Dollars compared to their 2,952,759.93 in thousands of US Dollars’ worth of exports. Putting it simply, Lebanon imports goods worth almost seven times the goods they export.

Among the goods that Lebanon most frequently imports are cars, petroleum, pharmaceuticals, live cattle, and minerals. A large portion of the Lebanese public depend on these goods in their daily lives. Without these goods, the living standards in Lebanon would exponentially decline when people who contribute to the economy are left starving, malnourished, and ill. This means that Lebanon depends greatly on imported goods.
Currently, there is a global pandemic that has interrupted import - export capabilities. COVID-19 has significantly affected Lebanon’s import driven economy.

On the other hand, having an economy that is so dependent on outside powers always has the potential to lead to crisis. Due to the high level of imports, Lebanon is currently under massive debt. The ratio of debt to GDP is at alarming rates approximating around 155%. This has contributed to inflation and has resulted in the government not being able to provide necessary goods to the general public. For instance, after the explosion in Beirut, a large proportion of the 2 million residents of the city were left homeless and malnourished. The government of Lebanon failed to provide the necessary aid to their people due to the fragile state of their import driven economy. The living standards of the Lebanese people can be significantly increased by lowering import rates and promoting sustainable development.

**Inflation**

Inflation is among the leading causes of protests and low living standards in Lebanon. It causes a decrease in purchasing power and results in people not being able to afford necessities such as food, water, and shelter.

Lebanon’s consumer prices increased annually to a rate of 120% in August 2020. The sudden change from 20% in March 2020, led to an economic shock that outraged citizens. The graph below displays the rate of increase in consumer prices through August 2019 – 2020.

![Annual change in CPI (%)](image)

*Figure 2: Graph displaying Lebanon’s increase in consumer prices*
One of the most common causes for inflation is a lack of confidence in the state of the economy. When people don’t believe that their national currency will gain value in time, they choose to resort to using other currencies, causing a drop in the value of the national currency. It is due to this loop that researchers predict that the consumer prices in Lebanon will increase to 198% towards the end of 2020.

Another cause for inflation is an increase in costs of imported goods. In Lebanon’s case, the government has failed to afford the high number of imports that are regularly purchased due to their collapsing economy. This has led to the accumulation of massive amounts of debt, and continues to impact inflation levels.

An example of the impact inflation has had on daily life would be the fact that the prices of food and beverages have experienced a 540% increase since 2019. Further, the prices of clothing and footwear increased 510%, and the prices at hotels and restaurants increased 610% from last year.

The most effective way of ending inflation is restoring the public’s trust in the government and economy. As mentioned previously, Lebanon’s government is currently in “caretaker status” rendering this impossible. A new, trustworthy, cabinet being selected would be a step in the right direction to solving Lebanon’s inflation problem.

Social Aspects

Lebanon’s citizens have little to no trust left in their government. Religious discrimination continues to be a reality in Lebanese culture and has prevented social development within the region. However, if there is one thing people can agree on, it is that the government of Lebanon is not to be trusted. Along with the recent explosion that took place in the capital city of Beirut, the people of Lebanon have been through a great amount of suffering. Protests continue against a dysfunctional government. The people of Lebanon are in dire need of political, economic, and social reforms. Let us examine the root causes of the Lebanese societies suffering.

Protests

On October 17th, 2019, a tax on commonplace items and services, including tobacco and calls on WhatsApp, was set forth by the government. This was a desperate move aiming to improve a rapidly failing economy. Citizens of Lebanon became outraged. Most depended on these items in their day to day lives and refused to pay a tax for such common goods.

The tax on WhatsApp was removed the very same day it was introduced due to public demand. Yet, the protests continued. The tax was the final straw that led to the Lebanese public taking action against their incapable government. The protests were named the “October Revolution”, expressing the significance of the movement.
Due to the protests, police violence escalated. Conventional techniques such as the deployment of tear gas and rubber bullets were employed but failed to deter the public. Political offices were vandalized, and banks shut down, leading to a worsening of the already tenuous economy. The protests quickly turned into riots as the people of Lebanon grew tired of suffering in silence. After only two weeks, the prime minister at the time, Saad Hariri announced his resignation.

Although the spread of COVID-19 has led to a decrease in public protests, this is a temporary solution to a permanent problem. Currently, with no government in place to carry out the reforms protestors are demanding, there is no end in sight for the public outrage in Lebanon.

**Class divide**

Lebanese society has suffered from the consequences of having religion embedded into the social structure for centuries. The government is vastly separated in terms of religious beliefs which has prevented societal reforms.

Similarly, there is also a great proportion of income inequality. The top 10% of the population earn approximately 57% of the total income, while the bottom 50% only earn 11%. The class divide in Lebanon is preposterous and is one of the primary reasons for public outrage. Higher class families continue enjoying the perks of power while not experiencing any noticeable changes to their lifestyle since 2019. On the other hand, lower to middle-class families struggle to obtain basic human necessities such as food and shelter.

An example of the effects of the class divide in Lebanon would be the situation regarding electricity. Lebanon does not possess a power grid sufficient enough to support its 6.8 million citizens. Those who do not have the means to purchase a secondary source of electricity are forced to withstand common blackouts ranging from 3 to 17 hours.

**Explosion**

On the 4th of August 2020, in the capital city of Beirut, 2750 tons of Ammonium Nitrate that had been unsafely stored for over 7 years ignited and resulted in a catastrophic explosion. Approximately 150 people lost their lives, while many among Beirut’s over 2 million residents were left homeless.

The Ammonium Nitrate had been collected from a Moldovan cargo ship, the MV Rhosus, in 2013 after being flagged by port authority and banned from leaving. The contents of MV Rhosus were transferred to Warehouse 12 in Beirut’s port. After years of unsafe storage, the Ammonium Nitrate eventually began decaying and ignited.

The blast devastated the people of Lebanon at a time when the political and economic situation of the country was already under siege. The blast resulted in major infrastructural damage to Beirut, and
the government did not possess the necessary resources to rebuild. Eventually, the government decided to resign and entered “caretaker status”. As the list of grievances intensify, the people of Lebanon persist in their demands for reform on all levels of government and the rioting continues.

In conclusion, Lebanon is currently in a terrible state of suffering. With no government to govern, the international community must intervene and help achieve sustainable development within the region.

Major Countries and Organizations Involved

Lebanon

Lebanon is Middle Eastern country located off the eastern shore of the Mediterranean Sea. Its neighbors include Israel in the south and Syria in the North. The country is currently in political, economic, and social crisis due to a series of recent catastrophic events. The support of the international community is needed to promote sustainable development and better the living standards of the Lebanese public.

Hezbollah

Hezbollah is a Shia militant group that fought against the Israeli invasion of Lebanon during the civil war. Hezbollah managed to enter the field of Lebanese politics, following the conflict. Currently, Hezbollah holds 13 seats in the Lebanese parliament, which has granted them a substantial amount of power within the region. The organization is also known to have been involved in vast amounts of criminal activities since its rise to power. These include money laundering, arms smuggling, drug trafficking, etc. Similarly, they are also known to have conducted multiple acts of terrorism such as but not limited to political assassinations, car bombings, and plane hijackings. The role of the organization in Lebanese politics along with the nature of their existence has been a long-standing matter of debate within the international community. Certain world powers such as the United States have declared Hezbollah a terrorist group and have taken military action against the organization. Contrastingly, some countries are open supporters of Hezbollah, providing them with political and economic support. Whether the organization is a socio-political entity, or a militant group is up to debate.

United States of America

The United States is amongst Lebanon’s leading financial supporters. They have provided a total of 4 billion dollars in foreign aid to the government. This includes more than 2 billion dollars given to the Lebanese Armed Forces (LAF) since 2006, making the US Lebanon’s primary security partner. However, tensions have escalated between the two governments in the past due to the presence of Hezbollah in Lebanon’s parliament. The US designates Hezbollah a terrorist organization and has taken military action against the group in the past.
Timeline of Events

1975
The massacre of Palestinian refugees being transported to a refugee camp by an Israel backed militia leads to civil war.

1982
Israel launches a full-scale invasion of Lebanon.

1989
The Taif Agreement is signed ending the Lebanese Civil War.

1992
Hezbollah wins 12 out of 128 seats in the Lebanese Parliament.

October 17th 2019
Taxes on commonplace goods such as tobacco and WhatsApp calls are introduced leading to mass public outrage and rioting.

October 29th 2019
Prime Minister Saad Hariri resigns two weeks after the protests initiate.

December 19th 2019
Hassan Diab is nominated prime minister causing an increase in riots.

February 2020
The first case of COVID-19 is detected in Lebanon.

August 4th 2020
Explosion in the capital city of Beirut takes place.

August 10th 2020
Government resigns following the Beirut explosion, entering “caretaker status”.

Relevant UN Treaties and Events

- Extension of United Nations Interim Force in Lebanon’s Mandate, 28 August 2020 (S/RES/2539)

Previous Attempts to Solve the Issue

Almost all previous attempts to solve the current issue have led to the situation worsening in Lebanon. For instance, the government decided to introduce a tax on commonplace goods such as tobacco and WhatsApp calls in order to restore the failing import driven economy. This resulted in mass riots that continue today and the resignation of the prime minister.

On the other hand, there are certain actions being taken that have improved the living standards of the Lebanese public temporarily. Non-Governmental Organizations (NGOs) have been actively providing aid including food and shelter to those in need.

Possible Solutions

There are various ways of approaching the situation in Lebanon. In terms of politics, the first step forward that comes to mind is the election of a new cabinet. As mentioned previously, the government of
Lebanon is currently in “caretaker status” meaning that no legislative actions can be taken. With no new legislation, there can be no economic or social reforms, halting the development of Lebanon completely. Currently, there are no elections insight for a new government to be formed. The international community could offer its support in securing a new election keeping in mind not to violate the sovereignty of Lebanon.

In terms of economics, sustainable development could be promoted through the use of Non-Governmental Organizations (NGOs) to lower Lebanon’s importation rates and dependency on foreign states. Currently, Bassma, an NGO operating in Lebanon, is attempting to tackle issues associated with high importation rates. Bassma educates citizens on how to produce their own food supply through farming and aims to reduce unemployment following the COVID-19 pandemic. These actions could be replicated and further improved by other NGO’s in order to solve Lebanon’s importation crisis.

In terms of social change, a series of reforms could be introduced which would be enacted by the next government. For instance, a comprehensive plan could be developed regarding the re-building of Beirut, following the explosion. Furthermore, the lack of a sufficient power grid could be dealt with through the aid of NGOs.

All in all, there are many things to be considered when attempting to improve the living standards of a country. However, even though Lebanon is in a state of emergency, its sovereignty should not be violated. All actions taken by the UN should solely be directed towards contributing to the development of Lebanon without seeking personal gain.

Bibliography


Appendix or Appendices