

EVENT SUMMARY

Lebanon and Syria Crisis in light of the Caesar Act

The Issam Fares Institute for Public Policy and International Affairs (IFI) at the American University of Beirut (AUB) organized a two-part webinar tackling the Lebanese and Syrian Crises in light of the Caesar Act (CA). International affairs experts from different countries focused on the CA's expected effects on the short, medium, and long run, in both Syria and in Lebanon over two sessions. The speakers investigated possible approaches that Western governments will employ in the region given the interplay between upcoming crucial events, most specifically the 2021 Syrian presidential election, and the uncertainties pertaining to a new US administration.

After nine years of a ravaging war in Syria, where more than half a million of Syrians have died and eleven million people have been displaced, the United States President Donald Trump signed into law the Caesar Syria Civilian Protection Act of 2019 as part of the National Defense Authorization Act of 2020. The Caesar Act aims at “promoting accountability for brutal acts against the Syrian people by the Assad regime and its foreign enablers”. Yet, it is highly questionable whether it will generate a momentum that will lead to the pathway out of conflict in Syria. The Caesar Act of 2019, established from a mass aggregate of images linked to Syria’s regime detention facilities, has presented evidence of regime perpetrated crimes against humanity in the country. It imposes sanctions on any individual or entity that provides “significant support” to the state, engages in transactions with the government of Syria, or any entity it controls or owns. This act focuses on three sectors: the Syrian military, the domestic petroleum and gas industry, as well as the reconstruction in government-held areas. Additionally, The Act proposes to further promote accountability and to exert pressure in order to advance a peaceful, political resolution of the conflict, as called for in the frame of UNSCR 2254.

Session 1: Syria’s Crisis in light of the Caesar Act

The first session was held on Tuesday, July 2020 ,14 and was moderated by IFI’s affiliated scholar Dania Koleilat Khatib. The panel discussion included: Charles Lister, Resident Fellow and Director of Syria, and Countering Terrorism and Extremism programs at the Middle East Institute; Alexey Khlebnikov, Expert on the Middle East at the Russian International Affairs Council; Fouad Fouad, Associate Professor at AUB; and Marc Otte, Ambassador, Vice President of the European Institute of Peace.

Will CA lead to change in the Syrian Regime Behavior?

Marc Otte was the first to present a brief outline on the determinations of the Caesar Act, explaining that the purpose of the Law is to target certain entities and individuals, and to further hold them accountable for perpetrating war crimes in Syria, with the intention to create a shift in the behavior of the Syrian regime and its allies. With such a target, there remains several exemptions and provisions within the Caesar Act. Most notably that President Donald Trump, for national security reasons, has the power to lift the sanctions against certain individuals, or against some categories of the targeted entities. This means that a shift in the regime’s behavior, could lead to a lift in the sanctions. However, according to Otte, whether this will happen, remains to be determined. Along these lines, Charles Lister explained that one example of exemption can be linked to the waiver that has been granted to the “Syrian Democratic Council,” (SDC).

Will CA contribute in obstructing the delivery of humanitarian aid?

Subsequent to Khlebnikov, Fouad Fouad further questioned the effect of the Caesar Act, particularly regarding exerting more pressure on the Syrian regime, as well as its effect on many individuals already struggling and living below the poverty line. Fouad noted that the Caesar Act came to force as of June 2020, 17, Russia and China vetoed several border crossings, to only one. They argued that the remaining border crossing was imperative as it can be reached from within Damascus, which can additionally shift humanitarian aid from cross borders, to one channel that is controlled by the regime. According to Fouad, the response from Russia is to further increase the pressure on displaced Syrians by obstructing the delivery of humanitarian aid through the borders. Fouad proceeds by noting that in the foregoing day, there was a military agreement between the Iranian and Syrian regimes in seeking some form of a 'political solution.'

While Khlebnikov mentioned that the Russians opposed the Belgium-German proposal to keep border crossings open, in order to make sure that humanitarian aid would solely go to regime held area, explaining that this move aims to put more pressure on the opposition. He added that during the Brussels IV by the European Commission, a number of civil society organizations declared that they stopped operating with NGOs as a result of not receiving any international aid that was supposed to be granted to them through Damascus.

Following these arguments, Otte noted that the Syrian regime is known for confiscating and even destroying several humanitarian convoys. He added that this clarifies why the crossline procedures have fallen behind, because of bureaucratic delays linked to the confiscation of some of the medical equipment, as well as hindering the cross-border facilitation. Otte claimed that the single cross-border passage will in turn slow down humanitarian aid flow. Therefore, it is imperative to rely on the monitoring by the humanitarian organizations and to work more closely with local communities, and the people on the ground who are equipped to give priorities to their needs. It is true that there is bureaucratic resistance from aid agencies, which have proven to succeed in states like Lebanon and Iraq. Nevertheless, governments are failing to deliver services, hence the need for a transformation of the vision and doctrine, on the level of aid agencies and donors.

As the Caesar Act states that there will be no cooperation with Assad under any circumstances, one may come into an agreement with the Russians by suggesting that international NGOs or international donors can provide humanitarian aid directly through the local councils without going through Assad affiliated organizations, like the "Syrian Arab Red Crescent", or the "Syria Trust Fund" which are managed by Assad's wife Asma. However, it still remains unseen whether such an arrangement will lead to some kind of agreement with Russia on Syria. Lister pointed out that the reason behind the reluctance of the international community to deal with NGOs operating in regime-held areas is the existing skepticism surrounding the narrow margin of independency of such organizations vis-à-vis the regime. Lister highlighted that although it is possible to operate an independent entity in regime held areas without the interference of the state, all the evidence that has been presented over the last nine years proves that in order to merely exist as a civil society organization or as an NGO, one will have to work with the state, and in most cases, with the Mukhabarat; and has thus resulted in largely deterred western aid money going through an arrangement as such.

This is especially concerning to Lister who mentioned that such proposals were presented only days after Russia had blocked humanitarian aid from crossing to four and a half million individuals, and where for the last nine years, "has proven itself as a mechanism to the regime and its cronies". From a US perspective, Lister stated that the US will continue to make clear that it will continue to provide the funding for humanitarian aid through the UN operating in regime held territories, and it will proceed to do so with the Caesar Act in place. Lister said that this contradicts idea that the Caesar Act is rather aimed at limiting or withdrawing aid to regime held areas. Yet, Lister raised the issue of international banking in light of sanctions, and whether the sanctions will prevent banks from engaging in money flows with NGOs operating inside Syria.

He pointed out that the US government is fully aware of the SDF's need for money to sustain itself, particularly against the crises, noting that it would make zero strategic sense to enforce the Caesar Act on the SDF, when in fact their trading with the Syrian regime is relatively minimal in a financial sense, and depends primarily on oil.

Building on the preceding points, Lister explained the perspective of the US on the objectives of the Caesar Act, highlighting that the original intent of the act was to limit the Assad regime's ability to continue to indiscriminately bomb civilians, incarcerate people, and enforce mass disappearances. It is important to note that considering the survival of the Syrian regime today, the narrative of this Act is not solely about the removal of Assad anymore, but rather the rhetoric is toned down to seek a behavioral change of the regime. In defining the notion 'behavior change,' Lister delineated the term as the actions that could describe the steps taken by the regime in building a standard minimal trust with the international community. This could mean the release of political prisoners, a more honest engagement in the constitutional commission progress, as well holding a United Nations monitored presidential election next year. From the American perspective, the release of the six Americans who are presumably incarcerated in Syrian regime prisons would be one way to depict this behavioral change, despite the regime's denial of imprisonment.

On the question of whether or not the act will generate a momentum that could lead to the pathway out of conflict in Syria, Lister argued that the war-torn country stands in different circumstances, and the driving force behind the disenfranchisement in Syria is derived from the economic crises (the financial crisis in Lebanon, the restriction to access US dollar in Damascus, and of course, ten years of prioritizing warfare over looking after the economy by the regime), and therefore not instigated by the sanctions. Lister highlighted an existing ambition that the Caesar Act may influence decision-making in Moscow, in a way that would not have been as effective, should it had been put into force four or five years ago. He emphasized that there may be a possibility of back channel negotiations with Moscow, aiming to create some form of a political process, eventually bringing in other players, and essentially enforcing a settlement on Syria, even if it is not necessarily a settlement that is agreed upon by the majority of Syrian citizens. Moreover, Lister stressed that the Trump administration is not set on granting any 'breathing space' to the Assad regime, specifically in its ability to continue to suppress its population, or to attempt to acquire a rehabilitation within the international stage. He added that this conviction is not going to be repealed in the coming six months, regardless if the Democratic candidate Joe Biden is elected. Furthermore, the only area where an executive in the US will actually get involved comes about if the activation of the Caesar Act proves not to be a sufficient deterrent in preventing US allies, such as the United Arab Emirates in particular, to engage in the reconstruction of Syria.

Alexey Khlebnikov supported Lister's perspective when it comes to the Caesar Act's aggravation of the dire economic conditions in Syria, that are principally caused by prevailing sanctions for at least the next nine years. However, according to Khlebnikov, the Act does not have the capacity to change or be a guided transformation of behavior in neither Damascus, Moscow, or Tehran, as it is presumed that what might shift Moscow or Tehran's behavior, is change on the ground. Furthermore, Khlebnikov pointed out that if the economic crises and the socio-economic situation induces transformations on the ground, this would eventually cause a shift in the rationale.

Centered on a more Russian assessment, Khlebnikov underlined that the Caesar Act tremendously hinders and complicates humanitarian aid deliveries to government held areas which hosts about %62 of impoverished individuals. This point is said to be a prominent Russian concern when voting against the proposed Security Council resolution, drafted by Belgium and Germany, to prevent border crossings from reopening.

Khlebnikov however argued Otte's point on the Russian media, pointing out that Moscow's main objective is about preserving an existing state structure, as well as an existing regime. Although, he added there were reports in the Russian media about meetings with other opposition platforms; most notably from Cairo, Moscow platform, as well as opposition platforms in Riyadh and Qatar, it is still an exaggeration to state that Russia is ready to change its attitude and abandon Assad. Khlebnikov continued that this does not disregard the fact that Assad is an easy partner, and Moscow has already invested a great deal over the last few years in this conflict, and want Syria to remain for at least another 49 years, which reflects the duration of their contract and their military bases.

Session 2: Lebanon's Crisis in light of the Caesar Act

The second session was held on Thursday, July 2020 ,16 and included; Nicholas A Heras, Middle East Security Program Manager at The Study of War (ISW); Dorothée Schmid, Senior Research Fellow, Head of the Turkey and Middle East Program at Institut Français des Relations Internationales (IFRI); and William F. Wechsler Director of the Rafik Hariri Center and Middle East Programs at The Atlantic Council.

Nicholas Heras started the discussion by briefly laying out the repercussions of the US Caesar Act's implementation in Lebanon. Heras stated that the Caesar sanctions are intended to prevent the Assad regime and its allies, as well as other actors, such as corporate companies based in other parts of the world, to benefit from the reconstruction of Syria. Fundamentally, the objectives of the Caesar sanctions are aimed at rendering the Assad regime accountable for the atrocities committed against the Syrian people. The core industries that are targeted by the Caesar sanctions include, real estate development, which also incorporates the petroleum industry, the energy industry, as well as the aviation industry.

CA as an opportunity to dissociate Lebanon from the "War of Axes" and to adopt a neutral position

When examining the Caesar Act's in relation with Lebanon, Heras emphasized that Lebanon is not the intended target of the sanctions, however, since Lebanon has been described by the US administration as the lung of Syria, and in many ways the lung of the regime, it too will be subject to the "Caesar Syria Civilian Protection Act." Funds of Syrian regime's associated businesses have been deposited in Lebanese banks. Billions of dollars deposited by Syrians have included regime officials who thought to evade sanctions by going through the Lebanese banking sector. Moreover, Heras indicated that Lebanon is also key strategic depth for the Assad regime, this is manifested most specifically by the role that Hezbollah has played in supporting the regime, through military activities that have further consolidated the regime control of areas in Western Syria. This is linked to the battle around Qusayr in 2013, which aimed at closing off the Syrian armed opposition pathway, and to further use Lebanon as a base from which to seize control of Damascus.

Furthermore, Lebanon has been considered as a potential hub for the reconstruction of Syria. The Tripoli port, is considered as a hub for international reconstruction support from the private sector or the international community to be funneled into Syria. In this sense, moving forward, according to Heras, the Caesar sanctions are perceived to result in two main consequences. First, the pathway for Assad and his allies to use Lebanon in supporting reconstruction and redevelopments that are dominated by the regime. This becomes much more difficult for Lebanese banks, but also individuals who are Lebanese, or entities and companies that are Lebanese to support the reconstruction. In that context, this will result in enormous uncertainty as to how Lebanon can discover industries that will permit it to get out of the economic morass that it is currently experiencing, especially as the situation further becomes detrimental. There are at least 160 known smuggler routes that are employed by average citizens in Lebanon and Syria due to the tight knit communities around the borders, but also by Hezbollah. If Hezbollah is proficient in creating permanent, habitual crossings between Syria and Lebanon, it will provide the regime with more power. Second, a very important issue is the idea that the Caesar sanctions may also provide a potential opportunity for the Lebanese Armed Forces (LAF) to take control of the border regions, most specifically Northern and Eastern Syria.

Lister predicted that in twelve months-time, there would be zero cross-border aid in Syria, adding that the Russian and Chinese governments will not approve the continuation of the cross-border humanitarian deliveries through Bab-al-Hawa in a year from now. If this is true, he said, it is then crucial that over the next twelve-months, states collaborate in active discussions that will determine how they will continue to provide aid and assistance to those living under the poverty line, and outside regime-controlled areas during that time. Fouad further builds on Lister's points, by emphasizing the crucial importance of the humanitarian issue. In agreement with Lister, Fouad stated that it is imperative to find feasible solutions over the next few months, to surpass the difficult circumstances that may lead to a black hole in the region. Otte added that the international community can deliver aid anyway despite the closing of the crossings, and it has all the moral and legal justifications to do so.

From a Russian perspective, Khlebnikov argued that, Russia does not particularly want the majority of aid to go solely into the regime held areas, but also to Idlib, and Kurdish held areas, under the condition that all aid goes through Damascus. According to Khlebnikov this is an important point because it is presented as a two-way road. He further states that Russia, Damascus, and China also have concerns about how the UN can confirm that their aid can be delivered and distributed transparently. This comes as UN structures do not operate in Idlib and are not present there. And therefore, do not have any capabilities to track independently and verify where this aid ends up. Having said this, according to Khlebnikov, there are already reports that aid has ended up in the hands of the terrorist, the same argument held against Damascus, who is also said to exploit humanitarian aid, selling it for high prices, and destroying it. One of the major concerns for Moscow now, is ensuring that those remaining cross border mechanisms can be monitored. It is quite understandable that the greatest obstacles in Europe and the United States for humanitarian aid flowing through Damascus is the lack of transparency and the lack of confidence building measures, to make sure that this aid is delivered to the population. For this reason, Moscow is currently considering opening discussions of establishing a joint mechanism which can monitor and observe this UN aid distribution. Khlebnikov also concurred with Lister in stating that the Bab-al-Hawa cross border will not be prolonged in use. Russia and China will continue to insist on humanitarian aid flowing through Damascus, and so for that to happen, a joint mechanism should be developed together with the Europeans, Americans, Russians, Syrians, and maybe others to create a transparent mechanism. According to Khlebnikov, this will be a good confidence-building measure in terms of starting to move humanitarian aid through the Damascus territory of Syria. Furthermore, another important nuance is that the Security Council resolution, targets only the UN humanitarian aid. It does not target the aid which is acceptingly flowing through other NGOs transferred through alternative border crossings along the Syrian and Turkish border.

Lister draws on to these points by stressing the necessity of an international monitoring mechanism to observe how aid is being delivered, all the while acknowledging the unlikelihood of the feasibility of having a fair and transparent monitoring mechanism operating in Damascus without any control or interference from the Syrian regime and Russia. According to Lister, the geopolitical game at play is to restrict aid to communities who are in opposition to the regime, and to force them in another way to consider "reconciliation." Yet, Khlebnikov still contends that although it may be difficult to implement such a mechanism, Moscow's lack of confidence is derived from both sides, whereby there is a lot of evidence on the misuse and hijacking of the aid.

A possible regime change in Syria?

Given these considerations, Lister said that Russia and the US are having serious but informal discussions. Otte said that some Russian media reports stated a Russian dissatisfaction with Assad and seeking for a regime change. According to Otte, it is crucial that this strategy be developed on a transactional basis, as it is the only way out if one wants to examine the potential economic implosion that is being faced now in the region, which is not limited to Syria. Syria is the epicenter; Lebanon, Jordan, and Iraq are severely threatened by the collapse of the economic system in the region. It is essential to build a broad strategy, whereby there is a need of an implication with the regional players, and enhanced triangular Atlantic relations with Russia.

However, Wechsler stressed that Lebanese interests in China vastly exceed China's interests in Lebanon. Although there have been leaks of a potential agreement between China and Iran, for a large degree of investment. China and Iran struck a comprehensive strategic partnership, which is top of their five levels of partnership back in 2016. Furthermore, China has strategic partnerships with Iraq and Jordan yet lacks a strategic partnership or a comprehensive strategic partnership with Lebanon or with Syria which is why it is crucial that such immediate and current needs be addressed by the Lebanese leaders and citizens.

Alternative approaches to sanctions between the EU and the US

According to Dorothee Schmid, it is imperative to understand that there is an inward shifting movement in the European Union, particularly as a result of Brexit. Additionally, Schmid indicated that the EU discussions pertaining to the Middle East are not merely concerning matters of principles or only about economic solidarity, rather there is a focus on strategic issues mainly the security of Europe, and the two forefront European countries are Germany and France, who are working together to rescue the EU. France and Germany do not necessarily converge in their interests or their strategic outlooks about the region. In this context it is crucial to raise the issue of Lebanon, which is currently considered as a sub issue of the refugee problem. For this reason, Lebanon stands on as low priority. It is important to note that the Caesar Act and the Lebanese issue are both inclusionary and geopolitical, whereas the EU is not about geopolitics. According to Schmid, there was a lot of optimism that the EU would bring a shift to the US system of sanctions, and rather propose what was viewed as an arbitrary abusive move by the US. However, Schmid stressed the EU has never acquired the chance to oppose the US system, but abide by it. She additionally highlighted the fact that albeit the US and EU both have their own systems of sanctions, the US will always be one step ahead. The US is stronger and more offensive, whereas the EU is quite passive, and has a softer use of sanction. Schmid stresses that the idea to seek and freeze the political situation in Syria, until an agreement is reached between the parties does less within the political context of a more inclusive post-conflict solution. She further states that the basic restoration currently operating in Syria is not the main objective, rather the intent of the sanctions was to be utilized as a tool to freeze the political situation for the EU. For the US however, it became a regime change institution, which is becoming increasingly difficult to counter.

The loss of Lebanon's geopolitical relevance

Schmid stated that while Lebanon used to be a geopolitical asset, it lost some of its geopolitical value. In explaining France's perspective, she mentioned that the Presidency of Jacques Chirac was linked to the Hariri (Prime minister Rafic Hariri) System, and was a shift into a more pro-Sunni ally. During that time, Rafic Hariri was the balancing actor for the Sunni community. The Sunnis were the future of the Middle East because they were the majority. However today, there is a movement between three communities: Sunni, Shia, and Christians. Presently, the Shia community has grown to be quite crucial in the region due to the Syrian Crisis. According to Schmid, the appointment of the French ambassador in Lebanon, who was serving previously in Iran, could be considered as a gesture from the French to take into account the relations with the Shia community in Lebanon and exert a balanced equilibrium in their diplomatic relations. There cannot be a focus on Lebanon without taking into consideration Syria and the fight against ISIS, which are the only clear, definite, and precisely defined goals of the French diplomacy in Syria. However, now that ISIS has been defeated in Syria, and with the addition to Assad's hold on Syria, the French find themselves in a compartmentalization of Syria, as they discourage reconstruction under Assad. For this reason, the EU sought out to question how they can accommodate the Trump administration's erratic decisions on the Middle East, as well as internalize the idea that the US wants to withdraw from the Middle East. As Schmid claimed, the French have a very strong diplomatic role and are quite confrontational with Turkey, and therefore deviate from the forefront or perceived as leading the direction. Drawing on this, the French have not stated that they will revive the whole financial process in Lebanon, but have nonetheless contributed to the CEDRE conference. Similar to Heras and Wechsler, she stated that Caesar is not the cause of the Lebanese economic crises, rather it is an addition to the already existing issues. In 2018, during the CEDRE conference, numerous questioned why they should continue to invest in Lebanon, when the lack of development and commitment among the political elites continued to subsist.

One of the secondary effects of the sanctions is the aim of granting more authority to the LAF, and becoming more active in preventing the smuggling of which both Hezbollah and Syrian regime can benefit from. This can provide a renewed focus on preventing the Syrian regime from benefiting from reconstruction activities, as well as limiting the smuggling of the Lebanese state subsidized fuel and flour; two very important commodities being smuggled across the border in Syria. The emphasis on cutting down on smuggling routes and activities that may be conducted by Lebanese actors in their aim to support the regime and its reconsolidation in Syria, can then potentially exert pressure on civilian authorities, and present the idea that creating actual barriers between the two states are in the best interests for Lebanon.

William Wechsler further builds on the implications of the Caesar Act in Lebanon. Much like Heras, Wechsler suggests that the economic and financial crises that are confronting Lebanon and Syria presently is not as a result of the Caesar Act. Rather, it is the fault of a long series of decisions made by leaders from both Lebanon and Syria on the structure of their economy. From a US and international community perspective, such an economic turning point is a consequence of corruption and mismanagement in Lebanon. Above all, it is about the role Hezbollah has played in preventing Lebanon from becoming a normal state. He further argues that because both states are connected in a dysfunctional political system, political elites led by Hezbollah are taking actions not for the betterment of the Lebanese people, but for the overall benefit of themselves, their futile networks, and their ideological objectives. Such an argument can thereby justify why the International Monetary Fund (IMF) negotiations are yet to be approved. According to the international community, Lebanon is refusing to correspond with the widespread consensus of the international community's fundamental enquiry into how the economy is structured. Wechsler asserts that Syria has been under US sanctions since 1979, long before the Caesar Act existed. Much like Heras, Wechsler states that the Caesar Act which includes strong bipartisan support in the US, is not directed at the Lebanese economy, but rather its objectives rely on swaying individuals and companies from further participating in the Syrian-Russian-Iranian war crimes, human rights abuses in Syria, and to also prevent individuals from cooperating with Syrian-government led reconstruction parts should they ensue. Ultimately, the Caesar Act is a tool in US policy whereby the US legislative branch has provided for the US executive branch in coercing its policy. Yet, how this will be enforced, remains to be determined.

According to Wechsler, by depending on the East, Lebanese leaders are asking the international community to shield Lebanon from the impact of the Caesar Act while they continue to normalize relationships with Syria, and considering China as the rescue state. Such actions are said to continue the long-standing pattern of refusal to focus on creating the political will that is necessary to deal with the underlying structural issues of the Lebanese economy. Having said this, Wechsler emphasized that there has been an expectation for a long time that all the funding will be derived from the fantasy of reconsulting in Syria through the Lebanese banks. Hence, an immediate repercussion will be an enhanced due diligence by the private sector. It is therefore imperative that Lebanese banks enhance their due-diligence, and although this does not target the Lebanese economy, one can still draw parallels to Lebanon's Jammal Trust Bank, and the Lebanese-Canadian Bank, who both held accounts for Hezbollah and their allies. It is much less about government policy, and more about asking questions to Lebanese counterparts and correspondent accounts about the nature of the underlying business behind some of the accounts. In this context, Hezbollah should be especially concerned as they are currently losing the argument in Europe for reasons linked to the involvement of smuggling commodities that not only support the current Syrian regime, but that are tied to human rights abuses and crimes against humanity. Wechsler added that "the Caesar Act's objective rather is to look for syndicates that may try to do that, but more appropriately we will look to close that channel, or look for ways to use the sanctions as political pressure for the Lebanese politicians or alternatively, the Lebanese people themselves to ask for better border controls." He continued, for example, if the Lebanese government is perceived to come to an agreement with the IMF, attempting to distance itself from the Syrian regime, suspending smuggling routes, as well as ensuring that its banking institutions conduct professional level of international standards of due diligence, it is therefore presumed that the sanction would be targeting individual entities outside the government's control. If the contradictory is employed, there are existing narratives about implementing a wider range of sanctions on Syria, Lebanon, and Iran.

Heras further drew on Schmid's points by highlighting that the European and French relationship with Lebanon is very indicative of the conundrum Lebanon finds itself in. When there exists a society that has been organized by a power-sharing system among elites coming from particular communities, whereby each of these communities have their power and share in society, are in a larger question that emerged over the last decade, seeing a deterioration quite similar to the post-WWI Sykes-Picot order. Lebanon has reached a culminating point in the system which was designed subsequent to the fall of the Ottoman empire in WWI. What this translates into is that the Lebanese population must question themselves whether can they sustain a country greatly dependent on imports, and sustain a country that for all intents and purposes serves the deploy base for a powerful sub-state, or quasi state armed actor, Hezbollah, whereby international agreement against it, and against its whole security structure order exists. From this context, it would be clear to say that the Caesar sanctions do apply a pressure point, but fundamentally the issues that Lebanon is facing are the result of the Lebanese system.

Regarding smuggling, Heras stated that the Caesar Act is an interesting tool, because it looks more at industries than it does at entities and individuals. Therefore it provides the motivation to create a space for Lebanese actors who do not want to be wedded and tied into Syria at the hip, or be the 'lung' of the Assad regime, as previously referred to. This comes as a barrier in smuggling four-million US dollars of fuel into regime held entities that are tied to human rights abuses and crimes against humanity. Building on these points, Wechsler questioned whether the Lebanese Armed Forces, and the leadership behind them, actually have the political will to start managing some of these checkpoints, transit routes, and smuggling lines that Hezbollah has been managing. It is a fundamental question for the sovereignty of the Lebanese country, and its national institutions. Additionally, it would be a more productive way forward for Lebanon to approach this issue, than by Lebanon looking for yet another external actor trying to resolve and address what is fundamentally an internal political problem. It is about using the leverage inherent, it is about trying to aid actors, mainly in the private sector, non-governmental sector, but also government actors to take decisions that would prevent such sanctions from being imposed initially. Similar to how Schmid stated that Lebanon stands as secondary issue in the current context for top decision makers in the EU, Wechsler underlined that Lebanon is not much higher in the US political dynamic. This message will get louder if the Lebanese leaders refuse to improve their economy, conduct reforms, and enhance their sovereignty. That is one of the longer-term incentives that the US and Europe are putting in front of not just the LAF, but the wider political policy elite inside Lebanon. According to Wechsler, if the LAF does not take action in promoting common interests in preventing the atrocities in Syria, and making an effort in stopping the support to the Syrian regime flowing through Lebanon, those in favor of continuing a relationship with LAF may find it difficult to win an argument.

Prospects for Lebanon and recommendations

Schmid stated that it is imperative that both the economy and institutions restore trust. In order to fix the economy, the IMF provides the right frame. It is also important to look at Greece as an example of how the reforms were conducted after the financial crises. She further mentioned that the LAF is not the only institution that matters in Lebanon as the judiciary has a very important part to play and must lay down liability measures by holding accountable those who smuggled out money in the last few months of the economic crises as is the case in all reconciliation processes. Additionally, individuals have to work collectively and stop depending on systemic external solutions. Schmid concluded that this is an important issue given that the economic crisis which has been looming since COVID19- and the collapse of the financial and banking systems in Lebanon, push one to question the likelihood of money flows in Lebanon and the ways this could materialize. She further stated that it is very unlikely that the Lebanese diaspora will deposit their money in Lebanese banks and claimed that the Gulf will need the funds for themselves. Schmid concluded by reinstating the necessity that "the Lebanese rely on themselves during these impoverished times" and that individuals must make this effort and prove to the outside that Lebanon is an autonomous nation state.