

# IN FREE FALL: ON LEBANON AND ITS SECTARIAN POLITICS

Relevant for: International Relations | Topic: Effect of policies and politics of developed & developing countries on India's interests

Lebanon, which has been battling multiple crises for the last couple of years, is on the brink of an economic collapse. The meltdown that forced the country to default on its bonds in 2019 for the first time since its independence in 1943 was aggravated by last year's [Beirut port blast](#). The [explosion that killed over 200 people](#) and wounded about 7,000 others on August 4, 2020 is [estimated to have caused damage worth \\$15 billion](#). The blast has also deepened the country's political crisis as Lebanon has been ruled by a caretaker government ever since. The Mediterranean country is now reeling under a severe economic downturn, medicine, food and fuel shortages and rising crimes. Recently, its central bank stated that it could no longer finance fuel imports at subsidised rates citing depleted reserves. Fuel shortages have led to chaotic scenes across the country. Last week, at least 28 people were killed in the country's north when a fuel tank exploded while locals were scrambling for its fuel. UNICEF has warned that millions of Lebanese are facing a severe water shortage. The economic crisis has pushed more than half the population into poverty, while the currency value has fallen by 90%. According to the World Bank, Lebanon's GDP per capita fell by 40% in dollar terms between 2018 and 2020, while real GDP contracted by 20.3% in 2020. The Bank assesses that even with quick reforms, it will take years before the economy gets back to its pre-crisis size.

Since the Beirut blast, President Michel Aoun appointed three Prime Minister-designates. Two of them stepped down after having failed to form a government. According to Lebanon's Constitution, the President should be a Maronite Christian, the Prime Minister a Sunni, and the Parliament Speaker a Shia. Political parties are divided largely along sectarian lines. The PM-designates, who were Sunni politicians or technocrats, often failed to bring together the country's different political factions, including that of President Aoun. In late July, former Prime Minister Najib Mikati was tasked with forming the next government. He is yet to conclude talks with other political blocs. With the country facing a severe fuel shortage, Hezbollah, the powerful Shia militia-cum-political party, has moved to import fuel directly from Iran. Hezbollah says it is trying to ease the country's fuel situation while its opponents say the move is aimed at drawing Lebanon further into the Iranian orbit and could be counterproductive as oil deals with Iran could attract sanctions from the U.S. Lebanon's politicians have sought fresh loans from the IMF, but the fund will release money only if the government commits itself to reforms. For that, Lebanon has to form a government first. Lebanon's political elites should realise that the country is facing a once-in-a-century crisis, set aside their sectarian politics, and come together to form a stable government. If not, nothing can stop the country's free fall.

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From the abrogation of the special status of Jammu and Kashmir, to the landmark Ayodhya verdict, 2019 proved to be an eventful year.

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