

LEBANON

WHAT HAPPENED?

The parliament approved the formation of a new government led by Prime Minister Najib Mikati, ending a thirteen-month period during which Lebanon was governed by caretaker authorities. Separately, Hizbollah imported fuel directly from Iran in violation of U.S. sanctions.

WHY DOES IT MATTER?

The cabinet's appointment ended an **extended stalemate** that had left Lebanon without an empowered government since August 2020. Hizbollah's import of Iranian fuel underscores sub-state political actors' expanded role in providing goods and security amid nationwide shortages and violent incidents.

AUGUST TRENDS

Against an increasingly dire economic backdrop marked by social unrest over shortages, the Central Bank's decision to cut subsidies dramatically worsened the country's fuel crisis. Separately, Israel and Hizbollah exchanged cross-border fire.

Parliament approved a new government

On 10 September, Lebanese political leaders agreed on a new government led by **Prime Minister Najib Mikati**. Like its predecessor, the new government represents a political alliance between the two Shiite parties, Hizbollah and Amal, and the Christian Free Patriotic movement and associated smaller parties.

It also received the support of ex-Prime Minister Saad Hariri's Sunni Future movement, providing it with 85 votes out of 115 sitting members of parliament in the confidence session on 20 September.

Hizbollah imported Iranian fuel

Amid nationwide energy shortages, Hizbollah on 16 September imported fuel from Iran via Syria without the official consent of Lebanese authorities. The delivery directly **violated U.S. sanctions** on Iranian oil exports.

While imports of Iranian fuel help alleviate the crisis, they cannot meet all of Lebanon's fuel needs. They epitomise the state's eroding authority and the centrifugal effects of multiple crises that are empowering quasi-autonomous actors, and are therefore rejected by many Lebanese, in particular those opposed to Hizbollah.

Lebanese and Syrian officials met in Damascus

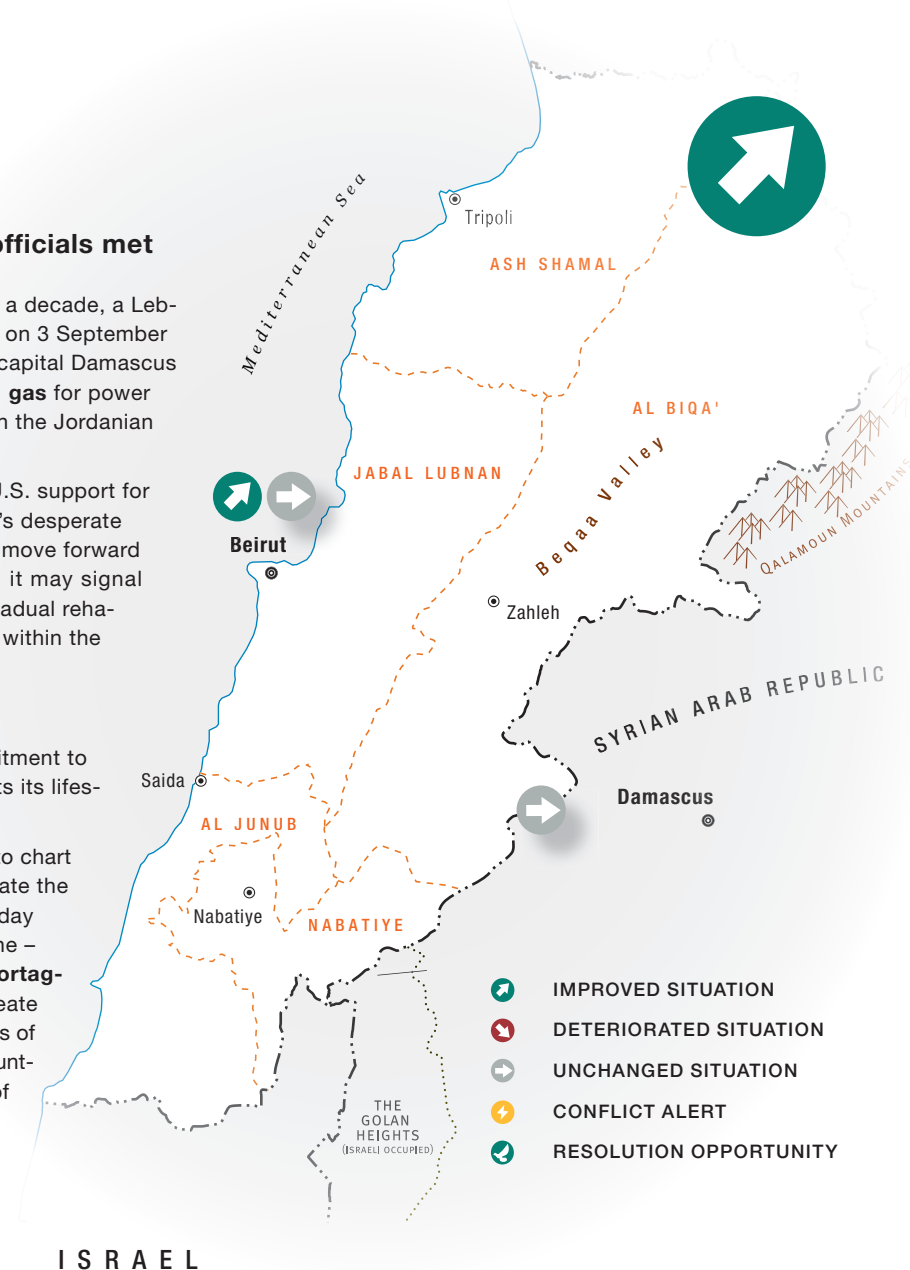
In the highest-level contact in a decade, a Lebanese government delegation on 3 September met Syrian officials in Syria's capital Damascus **to discuss importing natural gas** for power generation from Egypt through the Jordanian and Syrian pipeline network.

The meeting – and tentative U.S. support for the plan – highlights Lebanon's desperate shortages. If the deal were to move forward despite numerous obstacles, it may signal a growing trend toward the gradual rehabilitation of the Syrian regime within the regional order.

WHAT TO WATCH

The new government's commitment to **elections in March 2022** limits its lifespan to seven months.

Prime Minister Mikati intends to chart a pathway to reform and alleviate the worst manifestations of everyday hardship, but economic decline – including **ongoing energy shortages** – will continue and may create conditions for recurrent rounds of social unrest, violence and mounting crime. Further shipments of Iranian fuel are expected and could become routine.



TRENDS TIMELINE

