

Understanding the Dynamics of Lebanon's Protest Movementⁱ



In the midst of a severe economic crisis, the protests that broke out in Lebanon on October 17th represent a potential monumental rupture in the country's post-Civil War political and social order.

Lebanon's ruling class has been shaken and traditional political dynamics have been disrupted.

Yet, in a state often characterised as weak, the political and social regime premised on sectarian and confessional divisions remains strong. Attempts to re-enforce sectarian divisions by traditional political parties are a clear demonstration of this dynamic. While the protest movement continues to press its demands for the removal of what they see as a corrupted political class, an independent cabinet and new a new electoral law, many challenges remain. Understanding both the dynamics of the protest movement and the lenses through which politics are viewed in the country represents an important piece of the puzzle in understanding where the country may be heading and determining long-term policy solutions to the country's economic, political and social ills.

Introduction

On October 17th 2019, Lebanon witnessed an outburst of popular anger ostensibly in reaction to the declared intention to institute a 'WhatsApp' tax in the midst of an ongoing economic crisis. Widespread and largely unprecedented protests have been taking place across the country ever since. The protest movement achieved an early victory with the resignation of Prime Minister Saad Hariri and the consequent fall of the government. Since then, discussion among the political elite has failed to reach a consensus on a viable way forward. As it stands today, the country remains in political deadlock and on the brink of economic and financial ruin, with no clear way out in sight.

At the same time, a clear and arguably monumental shift has taken place in the political consciousness of the country. Protests have not only been sustained for over a month, they have also largely crossed sectarian, geographic and socio-economic boundaries in a way not witnessed on this scale in the recent past. The challenge for the protest movement is largely one of sustainability and translating popular sentiment into concrete political action. While increasing economic hardship will likely help propel the protest movement into a new phase, the established political players are adept and experienced and will continue to try to frame events in a way that gives them an advantage over the streets as well as their political rivals.



Demonstrators gather to stage a protest against the government's policy on easing the economic crisis in Beirut, Lebanon on October 22, 2019. (Mahmut Geldi - Anadolu Agency)

Background: The Ta'if Accord and the cementing of a sectarian logic

The post-civil war sectarian system that emerged out of the 1989 [Ta'if Agreement](#) is the key framework for understanding the multiple tentacles of the crisis facing Lebanon today. The Document of National Accord adopted at Ta'if envisaged a two-phase solution to the Lebanese crisis, culminating in a 'Third Republic' in which political sectarianism was to be abolished. In reality however, Ta'if effectively reproduced the sectarian dynamic that it was, in theory, designed to overcome.ⁱⁱ

Maintaining Ta'if was premised on an assumption of continuous economic growth that could be thusly split according to the sectarian logic underlying the Document of National Accord. Today however, a deep seated economic and financial crisis in Lebanon has put the ability to maintain the system under duress. Aggravating issues such as a dismal electricity supply, high levels of pollution, lack of affordable access to basic services including healthcare and education and a general lack of opportunity have all contributed to the explosion on the streets that have been witnessed since October 17th. All of these issues are intimately connected to the high levels of graft and corruption on which the sect-based clientelist networks depend.

Speaking to TRT World Research Centre, Bassel Salloukh, Associate Professor at the Lebanese American University (LAU) and political risk analyst, stated that "what we see in Lebanon today is an ensemble of practices, what I call the political economy of sectarianism. It involves complex clientelist networks involving state institutions and private interests."

What we are seeing now is the beginnings of the rupture of the post-Ta'if political and economic order in Lebanon. This rupture is being witnessed both on the streets and in the halls of political and economic power. According to Bassel Salloukh there are two separate, but interrelated, dynamics taking place in the country at the moment: "There is the struggle between an emerging "imagined" anti-sectarian community and the "imagined" sectarian communities led by the political elite... and a political struggle within the sectarian communities themselves."

This struggle has the potential to reshape Lebanon's politics over the long-term, particularly if the momentum on the street can be translated into political gains in the coming weeks, months and years. The political earthquake the country has witnessed should neither be overstated nor underestimated. However, it should be noted that while the established political parties at times virulently oppose one another, the acrimony between them is largely

due to resource allocation and not ideology, and there exists what amounts to an unspoken agreement that the current arrangement benefits them all.

Why now?

The outbreak of the protests on October 17th was widely reported in the media as being in response to a proposed 'WhatsApp' tax equivalent to approximately \$6USD per month. While this may have been the proverbial straw that broke the camel's back, there are a number of other immediate – in addition to deeper structural – issues that precipitated the mobilisation of street protests.

Back in September, Lebanese banks began unofficially restricting access to US dollar current accounts following reports of dollar liquidity issues in the country. From this began to emerge an unprecedented crisis of confidence in the banking sector unseen even during the country's 1975-1990 civil war.

Furthermore, just prior to the outbreak of the protests, the country witnessed its worst [wild fires](#) in decades. Anger swelled in the country when it was revealed that three helicopters donated by the European Union designed specifically to fight wildfires were [kept grounded](#) for the duration of the fires. The reason was that they had not been properly maintained, despite the necessary budget allocations. This only served to highlight the rampant graft and corruption among the political elite in the country and increased the level of frustration present in much of the population against the political class.

Demands and Composition

The protest movement, has - by all accounts - largely transcended the sectarian divide and has been notable for the solidarity between communities and [localities](#) that are supposed to be - according to dominant narrative - on opposite sides of the country's [multifaceted sectarian divide](#).ⁱⁱⁱ This is particularly the case for the first days of the protests in Beirut, where the presence of [young men from the city's working-class neighbourhoods](#) and traditional strongholds of the various established political parties added a dynamic that has not been present in more recent protest movements in the country.

This is demonstrative of the fact that the awareness that many Lebanese have had for a long time regarding the corruptibility of much of the political and economic ruling class in country has the potential of transforming into changes in political behaviour, despite many obstacles. This becomes even more apparent when compared to the last significant protest movement in the country. The 2015 'You Stink' movement, which mobilised thousands in the context of a garbage crisis against rampant corruption



People gather stage an anti government protest in Beirut, Lebanon on November 10, 2019. (Mahmut Geldi - Anadolu Agency)

among the ruling class, but [ultimately lost momentum](#), was largely seen as a middle class, secular and civil society driven movement. The profile of those who were in the streets in the first few days of protests in Beirut were then seen as being 'infiltrators' by the movement's leadership at the time.

Speaking to TRT World Research Centre, political activist and Beirut-based researcher for the Lebanese Centre for Policy Studies (LCPS) Nadim El Kak pointed out that there has been a notable shift on the ground in terms of an articulation of a more national-community orientation: "this uprising has allowed socioeconomic background and citizenship to trump sectarian identity as the defining characteristic of the Lebanese people who recognize that the former identities intersect and are much more relevant than the latter."

The protest movement achieved what could be counted as an early victory with the resignation of Prime Minister Saad Hariri on October 28th. There have been a number of smaller victories since, such as preventing the holding of an already [delayed parliamentary session](#) and the movement of [corruption cases](#) - including against important figures - in the judicial system. Furthermore, there have been successes for the movement at the level of the country's professional associations, most notably the election of independent lawyer [Melhem Khalaf](#) to the presidency of the Beirut Bar Association.

Many established political leaders have claimed to support and understand the primary grievances being expressed by the protest movement. However, street protests across the country have made it clear that the core of the movement rejects their overtures as either being disingenuous, or too little too late.

Primary demands expressed by the protest movement have largely been general in nature and focused on key points related to political reform and corruption under a broad banner of anti-sectarianism.

On the question of protester demands, Nadim El Kak identified three core demands that have been generally

agreed upon by all groups involved in the protest: 1) the formation of a smaller transitory government with legislative authority, comprised of non-politically affiliated individuals capable of managing the economic crisis, 2) passing measures to guarantee the independence of the judiciary in order to tackle corruption and retrieve stolen public funds, and 3) drafting a new electoral law that can guarantee freeness and fairness of the vote.

With the notable addition of calls for early elections, these demands were identified as forming the core of the calls emanating from the protests by the [Issam Fares Institute](#) at the American University of Beirut via survey of print and social media in the country.

The demand for early elections presents as a bit of a 'catch-22' situation for the protest movement. On the one hand, they hold the potential to lend legitimacy to the demands expressed thus far. On the other, early elections could serve to undermine the movement and ultimately re-entrench the current political class' hold on power.

As pointed out by political consultant George Ajjan, in addition to the difficult task of forming coherent and functioning political parties, if elections were held in three months, those seeking to run against the established political players would have to raise up to [\\$100 000 per day](#) in order to have the funds necessary to compete with the parties that make up the political establishment. The reality of electoral politics complicates the call for early elections and should cause those calling for an overhaul of the system to re-assess their positions.

Speaking to TRT World Research Centre, Bassel Salloukh, Associate Professor of Political Science at the Lebanese American University (LAU) and political risks analyst cautioned against the allure of early elections: "There are two years left in the current parliament. It will take at least one year to get the electoral law passed and another year to prepare to be able to contest elections. For at least the next two years, there will be a preoccupation with the economic crisis."

Furthermore, early elections without a new and well thought out electoral law would all but guarantee that the same rentier and clientalist dynamics will still predominate, even if the faces change.

Anti-Sectarian Orientation

The emerging political movement has been characterised by its horizontal character comprised of networks of broadly aligned people seeking to organise on both a local and national level. It also transcends street protests, as demonstrated by the recently published "[Emergency Economic Rescue Plan for Lebanon](#)", authored by nineteen

leading Lebanese political scientists, economists and jurists.

In the face of what Bassel Salloukh, called a "re-iteration of sectarian identities", the movement faces the challenge of maintaining its appeal with segments of Lebanese society that may have traditionally been more partial to their respective sectarian leaders. In particular, one of the more recent protest movements – the above-mentioned 2015 'You Stink' movement – was criticised for its inability to transcend its mostly secular, upper-middle class demographic.

This challenge will become even more acute as those segments of society with the most to lose from discarding their sectarian political association increasingly feel pressured by the worsening economic situation in the country, a point supported by Nadim el Kak:

"Those who are most vulnerable to its [sectarian] trappings (namely thru the sectarian political economy) may be forced back into their dependencies on confessional patrons. This doesn't mean, though, that they are blindly loyal to them... it's just a matter of survival which is valid and understandable considering the current realities."

Challenges

While sectarian identities as primary political signifiers are demonstrably constructed and historically contingent, they have arguably been deeply embedded in the collective psyche of the various communities that make up modern day Lebanon beginning in the *mutassarif* period and re-enforced by a number of historical events, not least of which being the 1975-1990 civil war. This has made, and arguably continues to make, the development of a genuine and strong cross-sectarian communal identity a challenging prospect. While efforts to 'sectarianise' the crisis have born fruit, the potential remains that – particularly as more and more people feel the economic pinch – that the anti-sectarian discourse premised on socio-political grievances could take a firm hold in a significant portion of the population.

According to Nadim el Kak, "cross-sectarian feelings have always existed. Solidarity has always been there, even prior to the revolution, the most recent example being the response to the wildfires. Sectarian identities and the constructed narratives of antagonism that rulers have invested in for decades do still get instrumentalised, and are effective, but to a decreasing extent. This uprising has allowed socioeconomic background and citizenship to trump sectarian identity as the defining characteristic of Lebanese people who recognize that the former identities intersect and are much more relevant than the latter."

Bassel Salloukh, articulated a number of points that the movement need to focus on in the medium and long-term



A Lebanese demonstrator flashes signs in front of a fire in a blocked road at Riad Al Solh Square during an anti-government protest against dire economic conditions and new tax regulations on communication on October 18, 2019 in Beirut, Lebanon. (Mahmut Geldi - Anadolu Agency)

in order to translate their initial success into longer term prospects:

"The strategy [of the movement] has to be long-term and include specific objectives. In the short term it must include the formation of a new government and, most importantly, a new electoral law. It should also include actions relating to institutions that matter, such as those related to the judiciary and professional associations."

There are of course various interpretations among the different groups and actors that are part of the movement as well as specific demands that have been articulated by groups ranging from the [women's movements](#) to [student groups](#). However, thus far, a general unity on the core issues has been maintained.

According to Nadim el Kak, "disagreements and variations begin when we delve deeper into each of these issues, but groups that are part of the movement realise that there's no point in arguing over them right now. The priority is getting the government to hear these broad demands first." He identified differences over the direction economic rescue measures should take as a point of disagreement that stands out: "an example of those disagreements pertains to economic rescue measures. Some groups lean more to the centre or even to the right economically while others are explicitly anti-neoliberal and calling for more socialist models."

This last point is one that should be noted. Much of the endemic corruption the protesters have been pointing out is associated with a post-civil war environment that [favoured neo-liberal approaches](#) to reconstruction and rebuilding national institutions. The consequently weakened state institutions served to further entrench the sectarian system as political and community leaders increasingly became the only pathway to accessing the already limited public resources the state was providing. Furthermore, the non-state organisations that filled the subsequent public service vacuum tended to be affiliated with one or another of the sectarian-based political movements.

Political Dynamics

The formation of a new government remains the single most important near-term issue facing the country. Without the formation of an effective cabinet that has at least a degree of buy-in from all factions in the country, the pressing – and potentially disastrous – economic issues cannot even theoretically be tackled, let alone longer-term social, political and economic development issues.

Among the established political players there has emerged a division along mostly traditional March 14th and March 8th lines, with Hariri's Future Movement and the Lebanese Forces at the helm of the March 14th camp and Hezbollah, Amal and the Free Patriotic Movement leading the March 8th camp. While effectively all of the major political players



Lebanese Prime Minister Saad Hariri holds a press conference over the ongoing protests against the government in Beirut, Lebanon on October 18, 2019. (Lebanese Prime Ministry Office / Handout - Anadolu Agency)

sought, at least in the early days, to position themselves as being with the protest movement, parties belonging to the March 14th camp have recently made more overt attempts to ride the wave of the protest movement.

Even prior to [Prime Minister Saad Hariri's resignation](#) on October 29th, the Lebanese Forces (LF) led by Samir Geagea [withdrew its ministers](#) from the national unity cabinet. In the days and weeks that followed, there was a visible uptick in LF affiliated figures and supporters joining the various protests both in Beirut and their traditional political strongholds in the capital's eastern suburbs. Hezbollah, Amal and the FPM all opposed Hariri's resignation as the Hariri led government has provided them with suitable international legitimacy to avoid pressure they would have likely faced – particularly from the United States – should they have formed a government on their own with a nominal figure from Lebanon's Sunni community to fill the PM's seat.

Along with the FPM, Hezbollah stands to lose the most from the formation of a government of technocrats as the previous arrangement has allowed them to wield significant influence in the government itself while remaining relatively shielded from the full force of international pressure.

Hariri and his Future Movement, for their part, whose support among the Sunni community was demonstrably eroded in the [May 2018 elections](#), wield more political leverage than they have at any time in the recent past. Since his October 29th resignation, Hariri has maintained that he would only return as PM if his condition of a purely 'technocratic' cabinet was met. In the case that Hariri does not return to the PM's seat himself, he and his Future movement retain what amounts to an effective veto over whoever is eventually nominated to the post.

Hariri's resignation put Lebanon's government into caretaker status, meaning that the country has now been

without a functioning government for well over a month. In theory, the country's president, Michel Aoun, should have called for binding parliamentary consultations to nominate a new PM who would then form the cabinet. However, in Lebanon, things are not always what they seem. The issue here is not so much that the process is not in place, but rather that it acts as a veneer for the affairs – whether in the private or public sector – to be conducted in a way that serves to re-enforce and effectively legitimise the political elite as being the only means through which the country's business can be conducted.

Aoun's refusal to call for the binding parliamentary consultations prior to the main elements of the formation of a new government being clear lies in a political calculation that reflects concern that he and the FPM (headed by his son in law) could be cornered in the process. Theoretically, if binding parliamentary consultations were indeed called and succeeded in nominating a PM-designate, Aoun could be trapped by a cabinet formation that does not adequately account for his or his party's interests. The fact that the consultations have repeatedly been [delayed](#) highlights the fact there is, as of yet, no consensus among the country's political elite.

A related issue involves the current lack of political alternatives in the country. Because political life in Lebanon has been so thoroughly dominated by the established parties, there exists a dearth of political actors in the country that are not co-opted, in one way or another, by established political movements. This is perhaps best demonstrated by the fact that Hariri himself seems to have become [the only acceptable candidate](#) for Prime Minister, despite a number of other names that [emerged as serious candidates](#). Even if their candidacies were advanced, they would only have done so through Hariri's acquiescence. Other party leaders, including Gebran Bassil and Nabih Berri also have an effective stranglehold on their respective party members, meaning that the same faces are bound to re-emerge – in one way or another – no matter the composition of the next government. It is precisely in this context that the protest movement has called for a cabinet of unaffiliated independent experts not tainted by corruption allegations, something that may prove difficult both politically and logistically.

Sectarianism 2.0

As the protests have continued on for more than a month and as it has become clearer that the protest movement has gained a political and social foothold in the country, there have been very clear and deliberate attempts to re-erect both mental and social barriers that the protests have been at least partially successful in tearing down.

Commenting following [two nights of clashes in Beirut](#) between protesters and young men supposedly supporting Hezbollah and Amal, Bassel Salloukh told TRT

World Research Centre that “what we are beginning to see is an attempt by sectarian parties to re-iterate the sectarian identities of their supporters... They are seeking to re-erect sectarian barricades in order to protect against the [advances] of the anti-sectarian community.”

This much is clear, the ability of the political elite to maintain their political stranglehold on the country has been tested in unprecedented ways. As the economic situation deteriorates, the political class will likely seek to maintain control at all costs. This could range from the politicking and deployment of street thugs that we have witnessed thus far, to much more violent episodes such as Lebanon has experienced in the past including kidnappings and political assassinations.

“My fear is that sectarian identity will be weaponised and we will see more of the violence we saw last night” Salloukh told TRT World Research centre in reference to the above-mentioned clashes adding that “there is a historical trend in Lebanon where elites try to transform socio-economic divisions into sectarian divisions.”

The distinct possibility remains that the country could descend into a type of violence it has experienced in the not too distant past. It should be remembered that as recently as 2008, Hezbollah deployed its fighters in Beirut in a show of force in response to March 14th efforts to dismantle its private telecommunications network, leading to armed clashes with mostly Sunni young men and supporters of Hariri's Future Movement. This event has been invoked on several occasions by Hezbollah supporters in the streets who have been heard chanting ‘we want another May 7’ – in reference to the event – along with the sectarian chants of ‘Shia! Shia!’.

Other notable events have included [clashes between Hezbollah and Lebanese Forces supporters](#) on the former green line between East and West Beirut between the suburbs of Ain al-Rammaneh and Chiah, evoking memories of the civil war and sparking fears of a descent into sectarian violence.

While it is tempting to interpret these developments in purely sectarian terms, it is significant that similar incidents of Hezbollah and Amal supporters clashing with protesters have occurred in majority-Shia cities such as Baalbek and Nabatieh. This is indicative of what could be called a ‘counter-revolutionary’ response to the gains made by the protest movement as well as an attempt to re-assert traditional political authority in the face of an increasingly fluid situation. In other words, the renewed attempts at sectarianising the current crisis in Lebanon is ultimately about power and re-asserting traditional spheres of authority and should not be interpreted in purely sectarian terms.

The Road Ahead

Lebanon will in all likelihood continue to experience a high-level of uncertainty in the near and medium term. Longer-term prospects depend on a number of local, regional and international factors. With regards to the situation on the ground today, there are a number of important issues that need to be carefully considered. Firstly, through speaking to various people involved in the protest movement, it has become clear that the dynamics on the street have shifted in a way that may prove to be counterproductive to the more comprehensive demands that have been expressed from the street.

Following the initial few days of protests which seemed to be taking a more ‘radical’ approach involving confrontations with security forces and fires being set in the streets, in the days and weeks that followed there was a noticeable shift in the demographics of the protesters. The young men from Beirut's working-class neighbourhoods – up until then the purview of the traditional political parties – were no longer on the streets in the numbers that they were in the initial days.

Speaking to TRT World Research Centre, Rima Majed, an Assistant Professor of Sociology at the American University of Beirut (AUB), attributed this change to transformation of the class dynamics in the square.

“After [the initial few days], the squares developed in a way that alienated much of that class, with big NGOs, established parties, etc. erecting stages, discussion spaces etc... This didn't look like the riots that the protests started with. This transformation alienated many of these people.”

And while the protest movement has taken a very clear anti-sectarian stance, observers of the ground noted that in the initial phase of protests, it was economic issues and not the sectarian system qua system that was the target of protesters anger.

There are at least two underlying reasons for this. Firstly, there are the aforementioned efforts of the political class to ‘sectarianize’ what are ultimately socio-economic issues. “There is a historical trend in Lebanon when society makes a point of [expressing] economic pressures, the elites try to turn socio-economic dimensions into sectarian divisions” according to Bassel Salloukh.

This process will likely continue, particularly if the nascent anti-sectarian movement can translate their momentum into political gains in the future. This strategy will also continue to be used by the established players against their traditional political rivals. A more negative analysis could see the deployment of tactics such as some of those that have been used in Iraq such as targeted assassination and/or kidnapping of political figures, both from within the traditional political class and those emerging from



People gather at Bechara El-Khoury Avenue to call protesters for them to continue the demonstrations until a new government formed as they march from Martyrs Square and Riyadh al-Solh Square in Beirut, Lebanon on November 03, 2019. (Mahmut Geldi - Anadolu Agency)

within the protest movement. A more likely scenario will involve a simultaneous effort to delegitimise the protests and re-enforce the narrative that the traditional parties are the only ones, despite their corruption, that can ensure stability and provide access to basic services for their respective communities.

The type of politicking we have seen thus far only serves to re-enforce Lebanon's sectarian identities that both historians and sociologists have demonstrated are constructed under particular historical circumstances and – particularly in the neo-liberal post-Ta'if era – serve the interests of a political and economic elite. As Rima Majed told TRT World Research Centre, "social sectarianism is clearly the product of a sectarianism that is deeply political and legal... we are not citizens [in Lebanon], we are members of religious groups. Understanding this as an inherent aspect of Lebanese society overlooks a lot of other social divisions, namely class."

Herein lies the problem. If there is any hope for real change, the vision must be long-term and must be sustained by dedicated actors on the ground, actors that will take the time to articulate clear alternative vision for the basis on which the country could be organised. According to Rima Majed's assessment, "the revolutionary process will take

decades, not months and it will go through its ups and downs."

The recent experience of both [Sudan](#) and [Tunisia](#) may be particularly instructive in this regard, especially as it relates to the existence of strong organisations. In Tunisia's case, the country's strong unions have played, and continue to play, a key role in the country's ongoing post-Ben 'Ali transition. In Sudan, the existence of strong professional associations have arguably played a similar role.

These examples are made even more relevant by the fact that political and social conditions in Lebanon Post-Ta'if have engendered a civil society and NGO sector that has largely been focused primarily on issues of individual rather than collective rights, a fact that became apparent during the 2015 You Stink movement. Unions and the NGO sector in Lebanon have largely either been co-opted by the system or have been made subservient to its logic. In Rima Majed's assessment, "the class game is the only one that makes the political class anxious." Hence, if momentum on the street is going to be translated into medium and long-term political influence, organizing, whether in professional associations or in what is left of independent labour unions, will need to be given precedence.

Solutions and Outcomes

If there is one outcome that the protests in Lebanon have made clear, it is that sectarian identities as primary political orientations are fluid. Over the course of Lebanon's history, going back to the late Ottoman period, there have been at least four shifts in the country's sectarian dichotomies. In the Ottoman *mutassarif* period, political identities came to be constructed around a Druze-Maronite dichotomy. Since the ratification of 'Greater Lebanon' under the French mandate in 1923, the country has seen the dominant sectarian dichotomies shift from Sunni-Maronite and Christian-Muslim to the Sunni-Shia dichotomy that exists today.

All this is to say that these are unstable categories; therefore, any policy prescriptions, whether from within Lebanon or from outside should not be based on the logic of sectarianism as a primordial identity. Any attempt to make sense of the turmoil in the country through this prism will invariably lead to a distorted understanding of the country, and the region at large.

As observed by [Shadi Hamid](#), "there is a temporal problem with the 'ancient hatreds' thesis... if there is something constant about a culture and its predisposition to violence, then how can we explain stark variations in civil conflict over short periods of time?" This view is supported by a growing body of academics and practitioners including Rima Majed, who told TRT World Research Centre that "thinking and devising political systems based on this [sectarian] logic is absurd."

Ending the hegemony of the established political class is a long-term process and depends largely on enhancing the presence of non-politically affiliated individuals and organisations across various sectors. It is those networks (emerging political groups, informal workers unions, syndicates that have been reclaimed), according to Nadim

el Kak "that that will allow more concrete political actions to take place down the road."

On the economic front, the current crisis cannot be solved by increasing the foreign debt-load, which is what the [2018 CEDRE conference](#) would effectively do if implemented. While this may provide some short-term relief, it will only postpone the crisis and ultimately exacerbate it. The fiscal situation and the liquidity crisis must be brought under control via taxation and spending reforms. Monetary policy must incorporate social consequences by focusing, for example, on issue such as price stability.^{iv}

With banks continuing to [severely restrict access to money](#), arbitrary [price increases](#), [layoffs](#) and the beginnings of what could prove to be an acute [shortage of essential commodities](#), the situation has moved beyond the realm of theory. A spate of recent [suicides](#) in the country are demonstrative of the fact that the system is crushing people's dignity.

The political class seems to have convinced itself that as soon as the protesters get off the streets and they can enact the necessary reforms that the so-called 'Lebanese economic miracle' will simply come back to life. More sober analyses have assessed that the driving forces of this 'miracle' are not likely to make a comeback anytime soon. Ultimately, there is no sustainable way out without losses - which must be carefully allocated. Although a long road lies ahead, political and economic institutions must be made more inclusive in order to the nation's human capital to realise its potential.

i Interviews conducted for this Policy Outlook were conducted between November 25th and December 4th 2019 via both phone and email exchanges. The interviewees are listed as follows:

1. Bassel Salloukh, Associated Professor of Political Science at the Lebanese American University and Geopolitical Risk Analyst
2. Rima Majed, Assistant Professor of Sociology at the American University of Beirut
3. Nadim el Kak, Political Activist and Researcher at the Lebanese Centre for Policy Studies

ii According to the Document of National Accord, "Until the Chamber of Deputies passes an election law free of sectarian restriction, the parliamentary seats shall be divided according to the following bases: a) Equally between Christians and Muslims; b) Proportionately between the denominations of each sect; c) Proportionately between the districts. Furthermore, the 1943 National Pact, an unwritten agreement establishing the political foundations of modern Lebanon, allocates the Presidency to a Maronite Christian, the Prime Minister's Office to a Sunni Muslim, and the position of Speaker of the Parliament to a Shi'a Muslim.

iii Although no official census has been carried out in the country since 1932, a recent attempt to track demographic changes in the country by Information International, an independent regional research and consultancy firm based in Beirut, reports that Christians as a whole make up 30.6% of the population, while Muslims make up 69.4%. The Shi'a population was reported at 31.6% of the population, followed closely by Sunnis at 31.3% and Christians (inclusive of all the sects) at 30.6%. These numbers indicate the political sensitivity of demographics in Lebanon and explain why a census has not been conducted in almost seven decades. Current parliamentary allocations, which allocated an equal share of seats to Christians and Muslims, are premised on a near-equal proportional share of the overall population.

iv For a detailed proposal on a proposal for the Lebanese economy, see: "For an Emergency Economic Rescue Plan for Lebanon", Carnegie Middle East, retrieved from https://carnegieendowment.org/files/Lebanon_-_Economic_Rescue_Plan.pdf