

# **BRIEFING: REFORM OF THE LEBANESE ARMED FORCES**

2 April 2024





# **CONTEXT**

The United States is the Lebanese Armed Forces' (LAF) largest international donor, contributing over <u>US\$3 billion</u> in financial aid, as well as most of the army's weaponry, since 2006. For Washington, such historic support for the LAF is strategically aimed at countering the influence of Hezbollah, a Lebanese political party and militia backed by Iran. For the Lebanese, the U.S.-LAF security "<u>partnership</u>" is critical to maintain its national army. Five years into an unprecedented <u>financial crisis</u> which has crippled the national economy, the Lebanese state's capacity to independently finance defense has all but vanished.

Amid a crisis of public confidence in the organs of the Lebanese state, the LAF is unique for both its high <u>public credibility</u> and its operation, largely outside of Hezbollah's strong political-sectarian influence. The army is, nonetheless, a flawed institution in need of reform. This is particularly crucial today amid escalating <u>military exchanges</u> between the Israeli Defense Forces and Hezbollah, following the Hamas attacks of October 7 and Israel's military campaign in Gaza. The Lebanese-Israeli border now stands as the most significant potential trigger for regional war.

U.S. Special Envoy Amos Hochstein's <u>visit</u> to Lebanon this month points to Washington's hopes to broker a diplomatic solution, relying on <u>15,000 LAF troops</u>, to de-escalate Lebanon's southern border. The United Nations Security Council Resolution (UNSCR) <u>1701</u>, which tasks the LAF with managing a "line of withdrawal" for both Israel and Hezbollah, is a touchstone for such a peace settlement. In its present state, however, the LAF cannot assume such a monumental responsibility. The pressing need for reform within the LAF, tackling various institutional and financial challenges, therefore aligns with both American and Lebanese interests to maintain a stable, secure Lebanon and to achieve regional de-escalation.

The U.S. Congress allocated US\$150 million to the LAF in its 2024 <u>State and Foreign Operations Budget</u>, this March. The president's 2025 <u>fiscal budget submission</u>, passed the same month, also allocated US\$150 million to the LAF. With this latest injection of funding coming at a critical time for Lebanon's security, Washington has a vital strategic window to advocate for reforms within the Lebanese army.

#### **RISKS & REFORMS**

# 1. NO FINANCIAL STRATEGY

• In February 2024, Lebanon's Caretaker Minister of Defense <u>blamed</u> LAF troops' lack of combat readiness on the demoralizing effect of low army salaries.

- With local currency devaluation of 90 per cent, the monthly salary of LAF rank-and-file is a mere <u>US\$50</u>, while veterans <u>protested</u> in Beirut this February over the real value collapse of their retirement benefits.
- Nonetheless, a disproportionate amount of Lebanon's military budget, over 70 per cent, continues to be allocated to LAF salaries and benefits. In stark contrast, only 35 per cent of U.S. military spending goes to similar budget lines.
- Lebanese politicians nominally addressed concerns regarding salary allocation under Law No. 46 (July 2017) which standardized a new wage scale for public servants, including LAF personnel. However, the law is littered with <u>loopholes</u> meaning it enhances, rather than diminishes, elite capture while also increasing inefficient government spending.
- Far from streamlining the LAF, Lebanon's Minister of Foreign Affairs recently urged the international community to support the recruitment of 7,000 soldiers for southern border duties. The LAF cannot, however, sustain an increase to its already underpaid <u>80,000 active personnel</u>.
- Addressing the LAF's parlous finances should involve a hiring freeze, allowing early retirement requests, and reducing proportional spending on wages to below 50 per cent of the annual budget.

# 2. POLITICIZED APPOINTMENT SYSTEM

- As of 2021, as many as <u>400 general-grade officers</u> were serving in the LAF, where the official command structure mandates for only 160. These positions come with a handsome salary and a host of benefits, including private vehicles and attendants.
- The LAF's officer and general cadres, bloated by a political-sectarian patronage network, therefore further undermine the army's operational efficiency, and worsen the army's salary crisis.
- In accordance with the country's unwritten National Pact, Lebanon's political elite nominate individuals for <u>military command posts</u> reserved for their respective sects. Sectarian division de facto extends throughout the fighting and intelligence units which maintain a 1:1 Christian-Muslim balance.
- The anti-meritocratic appointment and promotion systems produce a top-heavy command structure deeply entrenched in political loyalties and often paralyzed by civilian political disagreement. Indeed, with war brewing in Lebanon's south, the offices of Deputy Chiefs of Staff presently sit empty due to political disagreement over appointees.
- The army's dysfunctional appointment system requires a parliamentary inquiry to assess its limitations and suggest potential reforms pushing for independent and meritocratic appointments process.

#### 3. 'VERY HIGH' CORRUPTION RISK

- Recent <u>financial corruption scandals</u>, implicating high-ranking military officials, catapulted the issue of LAF's opaque finances into the public eye and highlighted the need for enhanced transparency.
- A Transparency International 2020 <u>report</u> identified a "very high" corruption risk within Lebanese defense institutions, marked by limited scrutiny of finances and procurement coupled with weak parliamentary oversight of military affairs.
- Meanwhile, mechanisms combating corruption in the LAF suffer from the same lack of transparency
  they were intended to address. For example, '<u>The Defense Committee to Combat Corruption</u>' and
  'Military Capacity Development Office' keep their composition and activities hidden from public view.
- At the same time, defense expenditures, policy, and strategy go unchecked. For example, the government's "Public Annual Finance Review" lacks detailed financial disclosures or publicly accessible

- editions post-2017. Minimal parliamentary oversight and prevalent off-budget military expenditure further exacerbate the financial consequences of this lack of transparency.
- The government must publish the last 7 years of 'Public Annual Finance Reviews' and detail the defense budget's expenditures comprehensively. The Lebanese Court of Audit should also assess the LAF's salaries, benefits, and allowances, with their findings shared publicly.

#### 4. NO DEFENSE STRATEGY

- Lebanese government officials and the <u>international community</u> have long acknowledged the necessity of a National Defense Strategy in Lebanon. Such a framework would, in theory, outline the country's strategic approach to national defense and security, identify key threats and challenges, and quide the allocation of resources.
- Former President Michel Aoun previously <u>pledged</u> to start discussions on such a plan, however, the only semblance of a guiding document remains a short <u>draft strategy</u>, now 14 years out of date.
- Nominally, the LAF's 5-Year 'Military Capability Development Plans', developed in conjunction with international donors, have filled this strategic gap. However, these documents primarily focus on the LAF's equipment and capacity needs and are not publicly accessible.
- While the 5 Year Plans help to formalize the LAF's strategic needs, Washington should also advocate for the concurrent publication of a comprehensive and regularly updated national defense strategy.

#### WASHINGTON'S APPROACH

Washington's financial support to the LAF serves as crucial leverage in advocacy for LAF reform, particularly when employed as part of a strategic, multifaceted approach. This advocacy strategy should encompass various channels, including:

- **Strategic Appropriations and Funding:** Conditioning military aid on specific reform benchmarks, ensuring that assistance is directly linked to tangible improvements in governance, accountability, and transparency. Allocating funds specifically for reform-oriented projects, such as modernizing military infrastructure and improving salary sustainability.
- **Institutional Engagement:** Enhancing military-to-military cooperation through tailored training programs focused on modern military restructuring and anti-corruption practices.
- **Leveraging Diplomacy:** Utilizing diplomatic conversations through the U.S. Embassy to emphasize the importance of military reform in high-level discussions with Lebanese officials. Advocate for a multi-stakeholder approach, encouraging Lebanese civil society and international partners to collaborate on a shared vision of LAF reform.
- **Supporting Legislative Frameworks:** Encouraging the development and enactment of legislation in Lebanon that supports military reform, such as laws enhancing civil-military relations, promoting oversight, and ensuring accountability in defense procurement.
- Carrot and Stick: Clearly articulating the benefits of reform, such as increased international support
  and improved military effectiveness and professionalism. Conversely, define the consequences of
  inadequate reform efforts, including potential reductions in military aid and limits on access to defense
  equipment and technology.
- **Engaging European Allies and Partners:** Coordinate with other international partners and allies, to ensure a unified approach towards Lebanese military reform. It is in the interests of the Europeans,

currently grappling with a <u>refugee crisis</u>, to ensure that the LAF can continue to curb irregular migration from Lebanon.

#### CONCLUSION

The LAF remains a crucial public institution, one of the last in Lebanon retaining both popular support and operating largely outside of Hezbollah's political-sectarian influence. However, amid Lebanon's most severe national security crisis in almost two decades, coupled with international diplomacy centering the LAF in conflict resolution, it is imperative that Washington reconsiders its LAF support strategy. Ensuring Congressional funds are met by institutional reforms within the LAF is in the mutual interests of both Lebanon and the United States, enabling the military to effectively safeguard the Lebanon's national security and promote stability in the wider region.

# **END OF BRIEF**