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Government Formation in Lebanon – Key Aspects of Internal Obstacles

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This paper offers a short overview over the recent government formation in Lebanon, explaining the results of the May 2018 parliamentary election, as well as highlighting and analyzing the internal obstacles and power struggles being faced during the long process of government formation.

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Introduction: Steps Towards Forming a New Government

After more than seven months of negotiations, the government formation decree has yet to be signed by designated Prime Minister Saad Hariri and President Michel Aoun. In the aftermath of the presidential agreement, the new electoral law implemented in June 2017 and the election results that came in favor of the March 8 alliance led by Hezbollah, forming a government is the opportunity for the winning coalition to reflect this victory inside the new cabinet. Several internal factors, mainly Lebanon's strained economic, financial situation, and political agreements, added to some external security threats imposing pressure on the local players, push for the establishment of a national unity government that includes most of the political forces.

According to article 69 of the Constitution, a new government should be formed:

1. If the Prime Minister resigns
2. If the Cabinet loses more than a third of the members specified in the decree of its formation
3. If the Prime Minister dies
4. At the beginning of the term of the President of the Republic
5. At the beginning of the term of the Chamber of Deputies (present situation)
6. When it loses the confidence of the Chamber of Deputies based on the Chamber's initiative, or based on the Council of ministers' initiative to seek confidence.

Moreover, and according to the Constitution, the government formation process can be divided into three main steps:

Step 1: Designating a Prime Minister

1. Members of Parliament (MPs) meet with the President to designate a Prime Minister based on mandatory parliamentary consultations
2. President proceeds with vote counts
3. President issues a decree designating the Prime Minister

Step 2: Forming the Government

4. The designated Prime Minister conducts parliamentary consultations (with MPs) for government formation
5. The President and the designated Prime Minister sign the decree for the formation of government

Step 3: Gaining Parliament Confidence

6. Within 30 days, the newly formed government has to present its general statement of policy to the Parliament to gain its confidence
7. Confidence vote at Parliament (minimum required number of votes: 65 out of 128)

Presidential Agreement, Election Results and Constitutional Constraints

Presidential Agreement

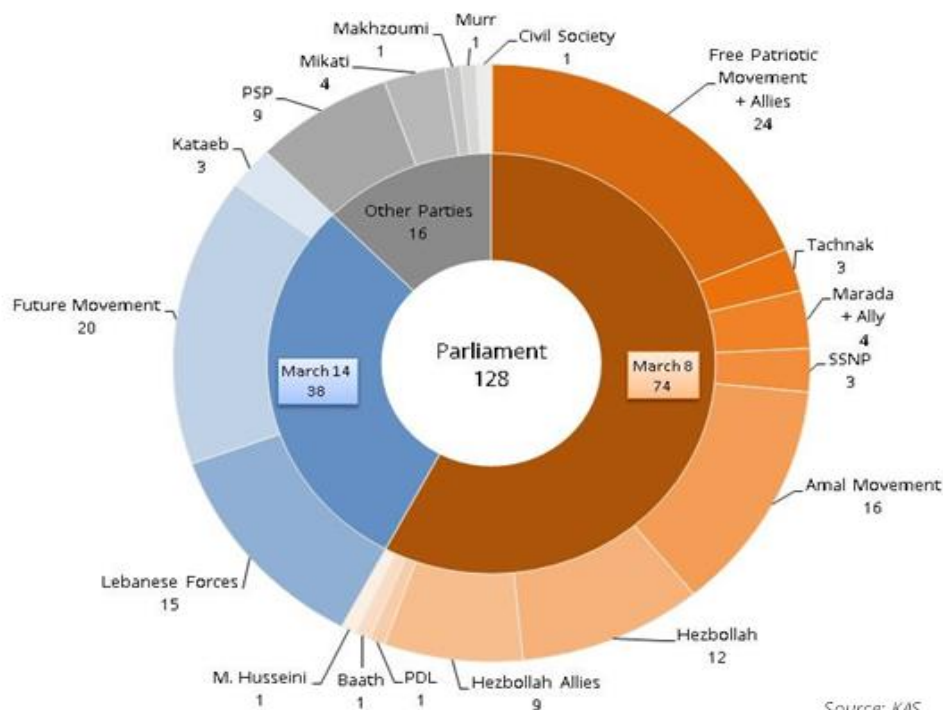
The presidential agreement that brought Michel Aoun into power as president wants Saad Hariri, leader of the March 14 alliance, to remain Prime Minister for the six years of the presidential term. After the election of Michel Aoun as president, October 31st 2016, Saad Hariri was designated to form the first government of Michel Aoun's term. This first government formation took less than two months.

Elections Results

For the first time since the withdrawal of Syrian military troops from Lebanon in April 2005, the March 8 alliance, led by Hezbollah, won the elections in Lebanon, with a coalition consisting of 74 MPs.

As per the constitutional process for government formation, President Michel Aoun proceeded with mandatory parliamentary consultations and Saad Hariri was confirmed as designated Prime Minister by a large majority of 111 out of 128 MPs to head the second government of Michel Aoun's term. Saad Hariri, designated Prime Minister and leader of the March 14 alliance, does not represent the coalition that won the elections.

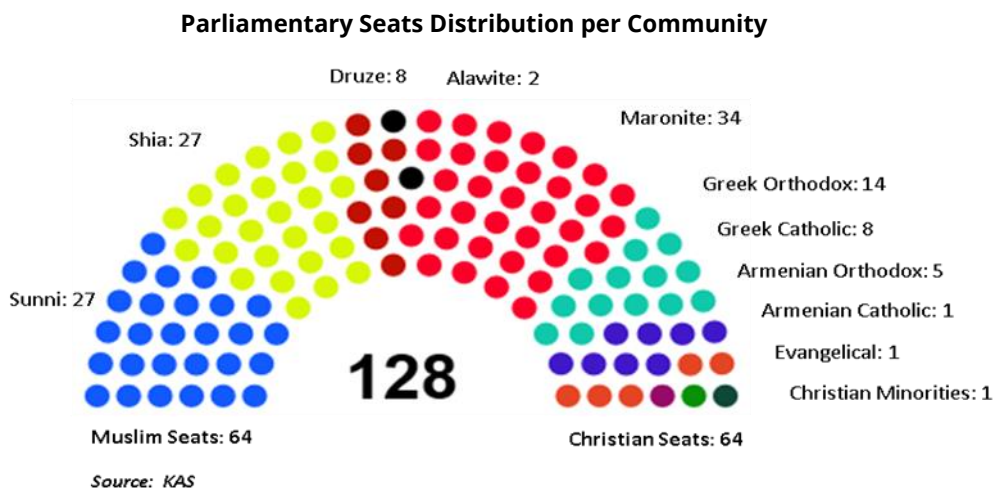
The graphic illustrates the distribution of allied parties in the new elected Parliament



Constitutional Constraints

The power-sharing among communities is part of the Lebanese political DNA. In 1860, Mount Lebanon was administered by a non-Lebanese Christian Governor, and assisted by an administrative council of twelve members representing the various religious communities. This power-sharing governance practice remained and evolved during the French mandate. Later, in 1943, when Lebanon took its independence, it was agreed in the non-written Lebanese National Pact of Understanding that the President has to be Maronite, the Speaker of the Parliament has to be Shia and the Prime Minister has to be Sunni.

The Lebanese democratic system is fragile as it requires a consensus between the different communities. According to the Constitution (preamble – J) *“there shall be no constitutional legitimacy for any authority which contradicts the pact of mutual existence.”* Additionally, government formation is based on the consensual democracy as reflected in article 95a of the Constitution that specifies the necessity of a just and equitable representation between the communities in the formation of the government. The article on government formation is in line with the Parliament seats distribution (article 24) that requires an equal distribution between Christians and Muslims and proportionally among the communities, within both confessional groups.



Example: As it is currently suggested, in a cabinet of 30 ministers, the ministry seats are distributed equally between Christians and Muslims, and proportionally between the communities.

- > 15 Christians (6 Maronites – 4 Greek Orthodox – 3 Greek Catholics – 2 Armenians)
- > 15 Muslims (6 Sunni– 6 Shia – 3 Druze)

Challenges of Government Formation

First: Government Size

The size of government formation remains part of the political debate in the current formation process. Though the government of 30 ministers is currently the most likely option, two additional options are being discussed: a government of 18 ministers and a government of 32 ministers. The government formation options are the following:

1. **Government of 18 ministers:** A “small government” option is supported by the Kataeb party, the Maronite Patriarch and some Sunni leaders like former Prime Minister Fouad Siniora. The first option for a small government is a “government of technicians” or “technocrats”. In this case, the Cabinet would be formed from individuals that have extensive technical experience in the field of the ministries they would be leading. The second option would be to form a small government with the main political leaders of the country, as the next government will have to make unpopular economic decisions that require a high level of national consensus.
2. **Government of 30 ministers:** It is the current option under which Saad Hariri decided to form the next government.
3. **Government of 32 ministers:** Hezbollah and some of its political allies are putting pressure on Saad Hariri to form a cabinet of 32 ministers. A government of 32 ministers would include: one additional Christian minister representing the Christian Minorities and one additional Muslim minister representing the Alawites. The Christian minister would join President Aoun ministries bloc and the Alawite minister would join Prime Minister Hariri ministries bloc.
The Alawites in Lebanon are mainly present in the North (Tripoli and Akkar) and are represented by two seats in Parliament. In the last elections, Alawites voted at more than 90% for the candidates of the Arab Democratic Party (ADP) or their allies. In compliance with the current electoral law, the two Alawite seats went to the Mikati candidate and the Free Patriotic Movement (FPM), candidate. However, the votes of the Alawites were determinant in getting two seats to ADP Sunni allies Faysal Karame and Jihad El Samad. ADP was a main actor in the battles that took place in Tripoli between Jabal Mohsen and Bab al-Tabbaneh districts in 2011. In 2014, Rifaat Eid, leader of the ADP, fled to Syria after having been sentenced to life imprisonment for his prominent role in armed conflicts between the rival districts of Tripoli. He was also accused of distributing arms and inciting murders. The ADP is a militia close to the Syrian Assad regime. It is unlikely that Saad Hariri will accept to form a cabinet of 32 ministers under these conditions.

Second: Battle for Power-Sharing in the Cabinet

During the last elections, the March 8 alliance gained 74 out of the 128 MPs seats. Unlike the other political parties, the Amal-Hezbollah coalition was capable of gaining all Shia seats in Parliament, therefore presenting itself as the only political coalition controlling all the seats allocated to a certain community. Moreover, the coalition managed to have close allies elected for the seats of the other communities. Hence, the Amal-Hezbollah coalition locked its position in the Shia community circle, and simultaneously managed to gain seats from their opponents by having allies elected for the Sunni, Druze and Christian seats.

The winning coalition translated the electoral victory by imposing three conditions on the government formation: not allowing other political parties to have homogeneous confessional blocs in the government, maintaining the Ministry of Finance seat for the Shia community and controlling the blocking minorities in the government.

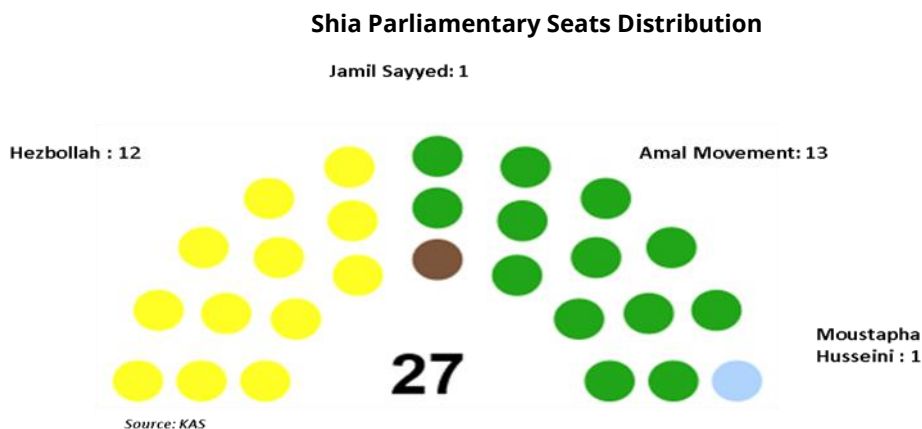
After the elections, an additional condition for the government formation was voiced by foreign minister Gibran Bassil, President Aoun's son-in-law and leader of the Free Patriotic Movement (FPM), when he asked for a proportional representation of the political forces in the Parliament. Thus, in a cabinet of 30 ministers, every parliamentary bloc formed with at least four MPs would be represented by one minister in the government of national unity.

1. Homogeneous Confessional Blocs in the Government:

According to a previous "jurisprudence" that was imposed by the Amal-Hezbollah coalition during the Fouad Siniora cabinet in 2006-2008, the resignation of all the ministers of one community implies the resignation of the entire government, as the Constitution does not give legitimacy to any authority that contradicts the pact of mutual existence. This controversial argument is a major tool that the Amal-Hezbollah coalition can easily use at any time to threaten the future government, as they control the 27 Shia seats in Parliament and will most likely control all the Shia seats in the Cabinet.

i. Shia Seats:

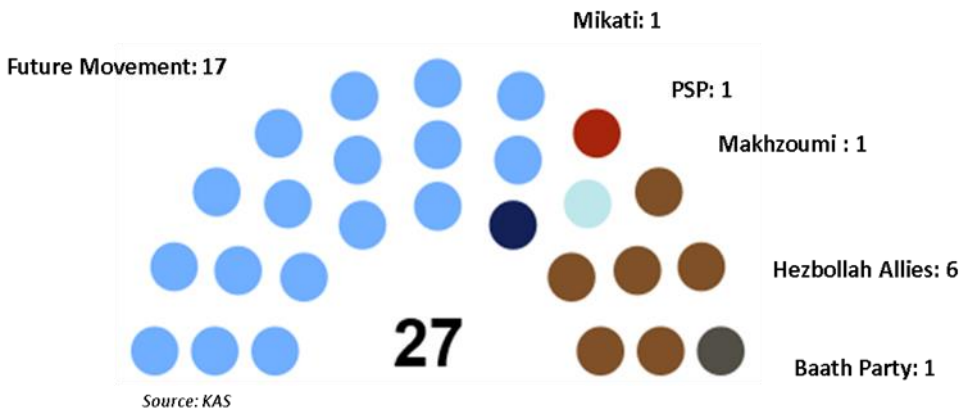
In the last elections, the Amal-Hezbollah coalition was able to gain the 27 seats of the Shia community in Parliament. The two MPs Jamil Sayed and Moustapha Hussein are part of the Hezbollah-Amal coalition, thus allowing a complete control over the Shia seats in the government. The six Shia ministry seats in the government will probably be equally shared between Amal and Hezbollah.



ii. Sunni Seats:

In the last elections, seven Sunni candidates close allies to Amal-Hezbollah were elected. Saad Hariri saw his share of Sunni MPs decrease in favor of his opponents. Further to a serious initiative of government formation and after more than 5 months of negotiations between the different parliamentary blocs, six of the seven Sunni MPs (Hezbollah allies + Baath Party), backed by the Amal-Hezbollah coalition, created a new parliamentary bloc and requested a Sunni seat in the government formation. The representation of those six MPs in the government is considered by many observers as the end of Saad Hariri’s monopoly over the Sunni community.

Sunni Parliamentary Seats Distribution

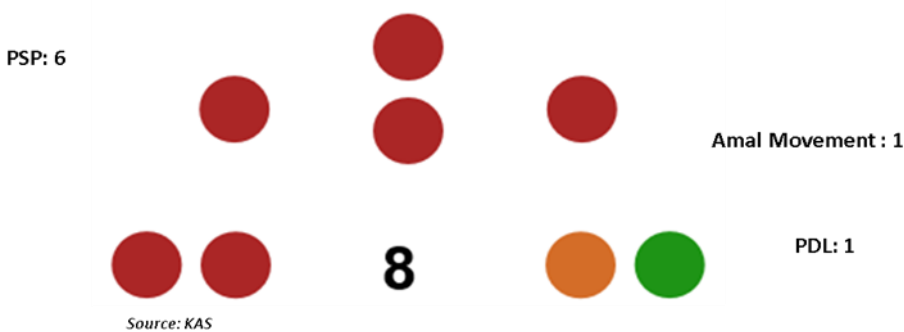


The Six Sunni Hezbollah allies MPs are: Abdel Rahim Mrad – Faysal Karame – Jihad El Samad – Adnane Traboulsi – Alwalid Succarie – Ousama Saad (not a member of the Sunni parliamentary bloc)

iii. Druze Seats:

The representation of the Druze community in the government was an additional obstacle in the government formation. Talal Arslan’s Lebanese Democratic Party (LDP), representing a traditional Druze family, was backed, seven months ago, by Hezbollah to prevent Walid Joumblatt’s Progressive Social Party (PSP) from controlling the three Druze seats in the government, which would have provided Joumblatt with a potential blocking leverage in the Cabinet. An agreement between Joumblatt, the President and Arslan provides two ministry seats to the PSP and one ministry seat for a consensual minister between Arslan and the President.

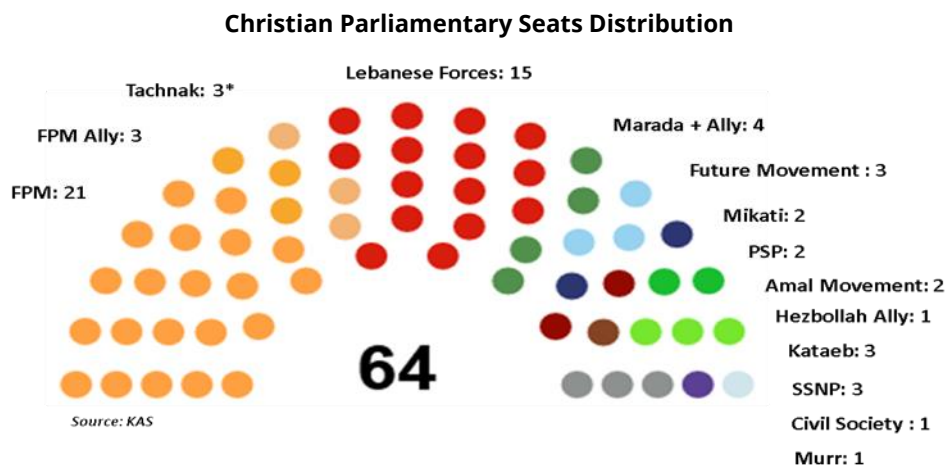
Druze Parliamentary Seats Distribution



iv. Christian Seats:

The “Meerab agreement”, signed in January 2016 between the two Christian parties Lebanese Forces (LF) and the FPM, resulted in Michel Aoun as President. It also established a two-part power between both parties for all Christian seats at all levels of the Lebanese administration. Though LF and FPM ran for elections on separate lists, the two parties managed to gain together in the actual Parliament a total of 39 Christian MPs seats out of 64. The “Meerab agreement” remains fragile. The Christian seats in the next government will probably be shared between the following political parties as such: FPM 8; Lebanese Forces 4; Marada 1; Future Movement 1; Tachnak Armenian Party 1.

In a government of 30 ministers, the Armenian community is usually represented by two seats. The current arrangement gives the Tachnak party (largest Armenian party, representing more than 75% of Armenian voters) one ministerial seat: the Ministry of Tourism. The second Armenian ministry seat is to be appointed by the Lebanese Forces for a state ministry.



2. Finance Ministry Seat to the Shia Community:

The Finance Minister seat is strategic for the Shia community as it gives them a decision-making role in the Executive branch. According to constitutional article 54, all decrees should have the signature of the **President (Maronite)**, the **Prime Minister (Sunni)** and the **concerned Minister(s)**. Unlike the President, the Prime Minister or any other concerned Minister can block a Cabinet decision by not signing the decree. As most of the decrees need the signature of the Finance Minister, and due to the fact that the Shia community does not have a decision-making seat in the Executive branch, the Ministry of Finance is a strategic seat for the coalition. The coalition has been holding the Minister of Finance seat since 2014. The 2014 government formation took eleven months.

3. Blocking Minorities in the Government:

The concept of the Lebanese consensual democracy is strengthened at the level of the government decision-making process. It offers two possible blocking means: firstly, the 1/3 + 1 related to all basic issues¹, and secondly, the majority 50% + 1 on all ordinary decisions, as per article 65-5 of the Constitution.

¹ The amendment of the Constitution - The declaration of a state of emergency and its termination - War and peace - General mobilization - International agreements - The

i. 1/3 + 1 of ministry seats in the Cabinet:

Holding 1/3 + 1 of the seats in the Cabinet gives considerable room for manoeuvre to a ministerial bloc as it implies: controlling the legal quorum for a cabinet meeting, imposing a "veto" on all basic issues (article 65-5) that require the approval of two-thirds of the members of the government named in the decree of its formation, and considering the government resigned if more than a third of its members specified in the decree of its formation resign. Therefore, Hezbollah is not in favor of giving this blockage power to any party, not even to their ally, President Michel Aoun.

ii. Majority + 1 of ministry seats in the Cabinet:

According to the Constitution article 65-5, normal decisions in the Cabinet shall be taken by consensus or by vote of the majority of attending members. Not giving March 14 alliance (Future Movement 5 + Lebanese Forces 4 + PSP 2 + Mikati 1) the majority in the government implies that the leader of the March 14 alliance, Prime Minister Saad Hariri, will have to refer back to his counterparts in the cabinet (March 8 alliance) for every decision that the government will be making.

annual government budget - Long-term comprehensive development plans - The appointment of employees of grade one and its equivalent - The reconsideration of the administrative divisions - The dissolution of the Chamber of Deputies - Electoral law - Nationality law - Personal status law - The dismissal of Ministers.

Third: Distribution of Seats

The distribution of ministerial seats is also an obstacle in the government formation. If we exclude the Prime Minister and the Vice Prime Minister seats, the ministry seats can be divided in four categories: Sovereign, Service, Normal and State.

1. Sovereign ministries deal with security-related issues and are politically sensitive.
2. Service ministries are important ministries with important budgets through which each appointed minister can help the political formation he/she is representing gain popularity by providing personal services to voters (clientelism).
3. Normal ministries are less important ministries with low budgets.
4. State ministries have almost no budget and no structure. They are usually considered as honorific ministries.

On top of all, the dispute over the ministerial seats is also related to the funds that will be allocated to some ministries as per the CEDRE conference plan. The main concerned ministries are: Finance, Economy, Telecommunications, Public Works and Environment.

Post (2)	Sovereign (4)	Service (6)	Normal (11)	State (8)	Political Parties
Prime Minister	Finance	Justice	Environment	Administrative Reforms	Future (5) + Mikati (1)
V.P Minister*	Foreign Affairs	Energy	Tourism	Parliament Affairs	Lebanese Forces (4)
	Defense	Health	Economy	Presidential Affairs	PSP (2)
	Interior	Telecom	Information	Human Rights	FPM & Tachnak (10)
		Public Works	Social Affairs	Anti-Corruption	Hezbollah (3)
		Education	Culture	Women Affairs	Amal (3)
			Labor	Refugees	Marada (1)
			Agriculture	Planning Affairs	The 7 Sunni MPs (1)
			Industry		TBD
			Sport		
			Displaced		

Source: KAS

*The Vice Prime minister's seat is more of an honorific one. He usually gets an additional ministry seat.

Conclusion

Lebanon's new government is likely to face numerous challenges: Economically, to start with, so several international institutions are calling Lebanon to take immediate actions and implement radical measures to face the economic and financial crisis the country is going through. In mid-December 2018, the rating agency Moody's changed "the outlook on Lebanon to negative from stable on the Government of Lebanon's issuer ratings and affirmed the ratings at B3". The risks are related to a lack of liquidity, as stated by the Minister of Finance, and the country's financial stability. The rating agency considers that geopolitical instability is adding risks as well. However, internally, hopes are being built on the potential outcomes of the CEDRE conference that was held in Paris on April 6, 2018. It is important to underline that the first condition for implementing the CEDRE conference was the government formation. The Arab Economic Summit, that is to be held on 19/20 January 2019, is seen as an opportunity; however, the summit is becoming more of a threat due to regional challenges, and thus affecting the formation of a new government. US sanctions on Iran increase the risks of repercussions on Lebanon, creating a major threat on Lebanese banks. Furthermore, recently, a lawsuit in New York accused 11 Lebanese banks of providing financial aid to Hezbollah, and disregarding the fact that US authorities classified Hezbollah as a terrorist organization.

The security tensions in the South of Lebanon prevail and are further aggravated by the recent discovery of Hezbollah's tunnels systems by the Israeli army. Hezbollah's role in and outside Lebanon remains a major friction talking point between Lebanon and Saudi Arabia. The US administration announcement on 19 December 2018 to withdraw its troops from Syria has the potential to dramatically reshape the sphere of strategic interests by the regional and global powers towards their presence in the Middle East, and to put the stability of the region at risk.

Last but not least, the Syrian refugee crisis and their return from Lebanon to Syria will also remain on the government agenda, as several political forces are calling to start direct negotiations with the Assad regime, to help bring back the Assad Syrian regime on the Arab political scene.

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