



The Israel-Lebanon Maritime Border Deal: Implications of Regional Politics on the Future of Lebanon

By: Rachelle Abboud | Jan 4th 2023

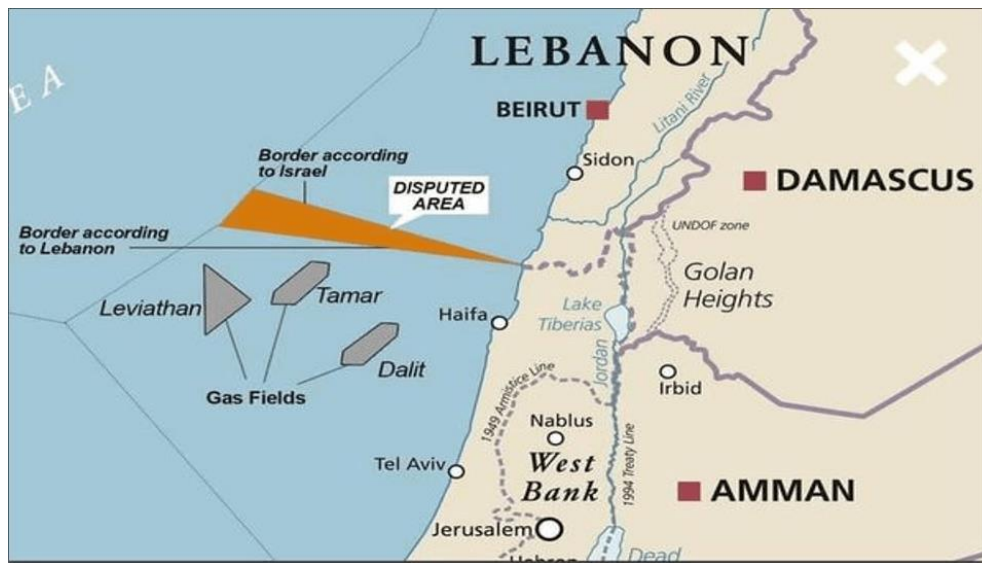


Figure 1: The Geography of the Maritime-deal passage

In October 2022, history was made on the Mediterranean. Lebanon’s approval of a U.S. brokered sea [deal with Israel](#)- a deal that many are calling an historic achievement was a striking blow to the typical narrative surrounding the relationship between enemy states. This longstanding dispute is over the demarcation of a 330 square mile sea territory that covers one natural gas field and a prospect-Karish field and Qana field, respectively. In November, French oil giant Total Energies said that it would soon launch exploration in search of gas on the Lebanese side, in the so-called Block 9. According to a separately signed framework agreement between Israel and Total, Israel would receive royalties from gas extracted on its side of the line.

The indirect agreement negotiated by US envoy Amos Hochstein has brought a somewhat positive end to an over a decade long disagreement allowing both countries to begin exploration of natural gas and hydrocarbons-already discovered by Israel. Angles on how many concessions each country made to the other differ among groups in both countries and remain an open discussion. The deal does not settle any land disputes, nor does it signal a partnership, diplomatic ties, or normalization. Both countries made that clear.

The Deal

What this deal has the potential to do, however, is to stabilize the area and circumvent war-that is if both countries abide by the agreement. It also demonstrates the power of shared interests and how they can bring foe states to the negotiating table. On October 11, 2022, US's Secretary of State, Antony J. Blinken stated the following in a [press statement](#):

“[t]his breakthrough promises to usher in a new era of prosperity and stability in the Middle East and will provide vital energy to the people of the region and to the world.”

This is a breakthrough indeed, but its promise will have to stand the test of time and the will and strength of those who supported the deal. It is hard to see what immediate effects in practice this could have for Israel and Lebanon aside from reducing tensions and bringing in revenue from fossil fuel sales. But in terms of producing enough volume to cover the needs of the European Union -this remains less clear at this point in time.

Lebanon's Economic Crisis and Revival

Compared to Israel, the impact on Lebanon may be more significant. For decades, Lebanon has been plagued with one shock wave after another, making it the crisis central of the Middle East. Beginning with its civil war between 1975-1990, Lebanon has been going through intermittent, seismic, and sometimes violent events. To give a brief timeline Lebanon has gone through: an Israeli invasion in 1982; the political and military Syrian takeover of the country; the 2005 assassination of PM Rafik al Hariri; the 2006 Lebanon -Israel war; scores of political assassinations and protests an infamous presidential vacuum from 2014-2016; and who could forget the ominous, massive 2020 Beirut explosion.

Today, Lebanon is grappling with an unprecedented [banking and currency crisis](#) that has led to the Lebanese pound losing over 95% of its value; to banks imposing strict limitations on withdrawals, and to the plunging of 80% of the population below the poverty line. The Lebanese people's financial plight has impeded their daily existence with shortages in basic needs namely electricity, water, access to medicine, and bread. This is a humanitarian crisis whose implications will for sure become intergenerational with all of the intersectional suffering it has unleashed. It's the kind of catastrophe that could lead a country to intrastate conflict or even to violent regime change. More specifically, if this was an oil producing or strategic state with ties to the west, the ink of this crisis would have filled the front pages of every mainstream news outlet.

All of this is compounded by corruption, nepotism, and a delicate sectarian political balance that if tipped, can lead to dangerous polarization and even bloodshed.

For such a small country, however, Lebanon has demonstrated a resiliency that is really equal to, if not larger than, the enormity of its problems; Lebanon is a lesson plan-a rich curriculum for all those interested in researching the complexities of political phenomena in all its flavors- an ever-evolving research question.

The question then becomes will the sea deal be the break that Lebanon so desperately needs? Is Lebanon at cross-roads of becoming an economically strategic state-a stakeholder in the energy trade? Well, that all depends on whether Lebanon will find the gas and generate revenues from its sale.

Whatever the outcome may be in the long run, the reality on the world stage today has probably played a role in the deal's settlement. The deepening energy crisis in the West, high gas prices at the pump, and inflation may have contributed to the US's eagerness to push it along. The Ukraine-Russia conflict and OPEC's decision to cut oil production by 2 million barrels has forced the world to grapple with a harsh new reality-one that has left powerful states in a very vulnerable position.

Lebanon and Israel understand this and have taken advantage of these developments to come to favorable terms. They have settled a maritime dispute that could have a reverberating, regional impact.

Media outlets have reported that its reception by the two parties has been mainly positive up to this point. What has been disclosed is that Israel will keep 100% of the Karish reservoir and receive part of the earnings from the Qana prospect if gas is discovered. According to Israel's then-caretaker prime minister Yair Lapid the deal if sealed, will help safeguard Israel's security and economic interests. However, many, including Benjamin Netanyahu-current Prime Minister- are lambasting the 10-page proposal and accusing Lapid of having surrendered an exclusive Israeli economic zone to Hezbollah-the Lebanese militant group and political party. Israeli proponents of the proposal believe that this deal will weaken Lebanon's reliance on Iran while opponents see it a cowardly concession, with director of a conservative think tank Eugene Kontorovich interpreting the deal to mean that "Hezbollah now overrides Israel's democracy."

Lebanon is also upbeat, but not for the security reasons cited by Israel. Lebanon is in dire need of a major economic lift and any concessions that were made during the negotiations are almost entirely related to its economic concerns. Hassan Nasrallah, Hezbollah's leader who threatened Israel with rockets should Israel produce gas without respecting Lebanon's rights to do the same, has pledged to abide by the agreement that the Lebanese government agrees to and remarked that what's on the table is 'a very important step'. As

for Lebanon becoming a potential natural gas exporter, it can gain security and economic stability thus reducing the chances of internal strife and even war with Israel.

Regional Strategic Implications

Many see this development as a rare diplomatic breakthrough, one that can bring both countries closer to their longstanding, strategic goals. For one, both countries can become constructively competitive by meeting European energy needs and setting off Russian domination of the European gas market, thereby reducing Russia's influence in the region. Second, both countries will have an opportunity to bring in billions of dollars in revenue which can markedly reduce the prospects of war as they will be bound by a common goal and improved economic conditions.

More importantly, and what no one is really highlighting, is the impact this could have on Lebanon's economy, security, political progress, and its rebirth as a nation. If Lebanon plays its cards right and keeps corruption away from the fruits of this deal that, then Lebanon could be on brink of a course-changing discovery. Discovering oil or gas will surely give Lebanon the financial support that it urgently needs, lifting it out of poverty and possibly corruption, and will give it a place in the region, if not the world. Some may say that placing too much hope in and emphasis on natural resources will lead to losing sight over more important factors; but, to that I reply with have you seen the current state of the world and how powerful oil and gas can be?

Their impact on our livelihoods transcends the economic impetus of the energy industry. Natural resources dictate the course of governance far beyond the eyes can see and the pockets can feel. Powerful governments around the world are beholden to their grip and until they find alternatives, they will remain bound by their commands because without them they cannot govern in their full capacity.

More importantly for Lebanon, improved economic conditions can pave the way for a broader and deeper discovery of statehood, nationhood, and unity. As a natural gas exporter, Lebanon can leverage its resources to become a competitive and credible player both politically and economically.

This new power will give Lebanon the robust sense of sovereignty that it sought but never fully fulfilled neither from its allies nor from its wars. For too long, its sovereignty has been undermined and haunted by the specter of sectarianism and by the regional and domestic players who benefit from its reinforcement. For too long, Lebanon has stood idly by as its affairs were handled by foreign entities and their domestic puppets. Becoming a natural resource exporter will give Lebanon the lifeline it needs to be included, heard, and accommodated.

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