

*Viewpoints*  
*No. 22*

# The Syrian Refugee Crisis is Pushing Lebanon to the Brink

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The Syrian refugee issue in Lebanon is threatening to become the real humanitarian crisis in the region. There are more Syrian refugees in Lebanon than in any other country in the region. Straddled by a weak economy, domestic political infighting, and internal divisions over the crisis in Syria, Lebanon is finding it hard to cope with the evolving problem inside its borders. In the absence of a quick and sustained international support, the refugee issue in Lebanon could become a full blown crisis with domestic and regional implications for Lebanon.

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The news of fighting in and around Damascus is a sign that the long-feared battle over the Syrian capital may have started. This is bad news for Syria as well as Lebanon and for the thousands of Syrian refugees already living in Lebanon under difficult conditions. The refugee situation is devolving quickly. It is a terrible humanitarian crisis that threatens to spiral out of control if no political solution is found soon to avert the looming battle between the regime and the opposition over the capital. A new wave of hundreds of thousands of refugees pouring over the border is a burden that Lebanon can bear neither politically nor economically.

The spokesman for the United Nations High Commissioner for Refugees (UNHCR) in Geneva said that over 2,500 Syrian refugees now enter Lebanon daily. The UN's refugee agency puts the current number of refugees in Lebanon at 296,000, around 190,000 of whom are registered.<sup>1</sup> But a United Nations Children's Fund (UNICEF) official warned that the numbers could be 20-50 percent higher. And if the fighting gets worse in Damascus, a mere half-hour drive from the Lebanese border, the number of refugees could swell to a half million easily.

Lebanon is not building camps for the refugees because the country already has to deal with the sensitive political issue of 400,000 Palestinian refugees. (Indeed, over 20,000 Palestinian refugees from the Yarmouk refugee camp in Syria have crossed the border and settled in Lebanon's already crowded and poor Palestinian refugee camps.) The Syrian refugees are spread over 700 towns and villages throughout the country, including the capital, Beirut. The UN says 70 percent of the refugees are women and children, and UNICEF estimates that 52 percent of these are children are under 18.

The political impact of the crisis is pushing Lebanon to the brink. The country is already divided over the Syrian revolution, a divide that has exacerbated security problems for Lebanon, especially in the North, where supporters of Bashar al-Assad's regime fight with opponents. The Lebanese are also divided over their own government, led by the March 8 Alliance consisting of the Shiite parties, Hezbollah, the Amal Movement, and the Christians supporting Michel Aoun's Free Patriotic Movement. This faction supports Bashar al-Assad's regime and controls the government, which partly explains why Lebanon was slow to respond to the Syrian refugee crisis. On the other side is the March 14 opposition, including the majority of the Sunni community and major Christian parties, which supports the Syrian revolution.

The March 8 coalition is exploiting sectarian fears, in part to boost its chances in upcoming parliamentary elections (set for June 9). The presence of nearly 300,000 Syrian Sunnis in Lebanon alarmed the Shiite community and some in the Christian community who feared that in the future the sectarian balance would tilt in favor of the Sunnis. The fact that Syrian towns, agricultural areas, and irrigation systems have been destroyed is fueling fears in Lebanon that these refugees will not have anything to go back to. Hence, they will stay in Lebanon.

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<sup>1</sup> Figures for population breakdown as of 02/19/2013 from UNHCR Syria Regional Refugee Response <http://data.unhcr.org/syrianrefugees/regional.php>

The economic impact of the crisis on Lebanon is enormous. The refugees put an additional strain on an economy already declining due to two years of weak government performance, especially in its economic policy. Most business sectors in Lebanon are impacted by the crisis, but exports especially have seen a sharp downturn largely because the land route through Syria has been virtually closed off due to the war. Tourism has also been hit hard because of a drop in the number of Gulf visitors due to threats and the deteriorating security situation. Other sectors affected by the crisis include the transportation, health, housing, and educational industries.

Lebanon's growth fell even before the Syrian crisis started, from 8 percent in 2010 to 1.5 percent in 2011. Despite the small increase (2 percent) in 2012, today all economic indicators are down in the country. Foreign direct investment dropped, and the continued conflict makes it unlikely that investor confidence will recover soon. The trade deficit is up from \$1.8 billion in 2011 to \$3.3 billion in 2012. Real estate, cement delivery, and construction permits and transactions are down as well. Unemployment is rising in all sectors, especially among youth, and inflation is at 10 percent this year leading to price increases.

But it is not all bad news for Lebanon. The rental market is up because of the influx of wealthy Syrians who can afford the high-priced apartments in Beirut. Moreover, the funds that the international community and the aid agencies are providing the refugees are being spent in Lebanon. Imports are up from \$18 billion in 2010 to \$21.3 billion in 2012 due to increased demand.

Economists warn that the numbers could be misleading. They point out that this jump is due to the increase in imported oil and food products (oil imports rose from \$3.8 billion in 2010 to \$6.1 billion in 2012) because of the sudden halt of smuggled diesel oil from Syria before the crisis.

Lebanese host families are bearing the brunt of the problem. While the Syrian refugees receive help from UN agencies and NGOs, no aid goes to the Lebanese, which exacerbates their economic situation. A United Nations Development Programme study found that 88 percent of the host families in the North do not receive any "subsidies" from Syrian refugees because they are relatives and get free lodging. By contrast, in the Bekaa Valley, 82 percent of the host families receive "subsidies," in the form of rent, from Syrian refugees. This makes the North more vulnerable to the deepening economic hardships especially since the crisis is shutting down some sectors completely, like furniture manufacturing in Tripoli, and robbing the Lebanese in border communities of access to agricultural land in the border villages.

The study also found that 90 percent of the respondents in Bekaa and 89 percent in the North reported a decline in their income as a result of the Syrian crisis. Bekaa and the North were economically dependent on trade with Syria, and the Beirut-Damascus road connecting Lebanon to the wider Arab world is a major economic lifeline to thousands in Lebanon. Imports and exports between Lebanon and Syria have virtually ceased, making thousands unemployed.

This is fueling competition and resentment between the Lebanese hosts and their Syrian guests. They have to compete over scarce jobs, and low-wage Syrian laborers are driving the Lebanese out of the labor market. The Lebanese have shown their sympathy and support for their Syrian neighbors, but it is turning into a battle for survival for them, too.

Syrian refugees have already started opening businesses in Lebanon to help themselves, but this elevated the anxiety of the Lebanese and led the government to take measures to protect Lebanese workers and businesses from the competition. And when the Bakeries Union warned of a bread shortage in Lebanon, they blamed it on “the increase in the number of Syrian refugees.”

The Lebanese government was late in responding to the Syrian refugee issue. It was only in December 2012 that the government set up a ministerial committee to produce a plan. Minister of Social Affairs Wael Abou Faour blamed political infighting within the government for the delay. But now the government plan is under way, and various ministries are coordinating with UN agencies and domestic and international NGOs.

However, the bad state of the Lebanese economy, the lack of sufficient funds, and poor coordination are hindering that effort. The expected arrival of new funds—pledged by the Gulf countries and the international community in the International Humanitarian Pledging Conference held in Kuwait at the end of January—will hopefully bring much-needed assistance. At the conference, Lebanon presented a plan requesting \$370 million for the government and the UN agencies working in Lebanon for six months. But this relief is temporary.

There is every reason to believe the refugee problem will only get worse, demanding a more coordinated and sustained effort by all parties concerned. The Lebanese government should not imagine that the problem will end tomorrow. The United Nations is asking Lebanon to keep the door open and not close its borders in the face of the refugees. The most likely scenario will see thousands more refugees pouring into Lebanon, which will have no choice but to keep its borders open. Lebanon cannot afford to face this prospect alone. The crisis threatens to bankrupt the country economically and further fragment it politically. The Syrian refugees live in desperate conditions and deserve better care and help. The international community should shoulder its responsibility in these difficult economic times and not leave this crisis to fester. Syria should not be treated as a humanitarian crisis that needs management. It should be seen for its political and strategic dimensions, calling for an immediate political solution that ends violence and stems the refugee crisis at the source by helping people to stay in their country. U.S. Secretary of State John Kerry was right when he said recently, “We do not want to turn the region into a refugee center.” There is no substitute for American leadership to prevent that.



*The opinions expressed herein are those of the author and do not reflect those of the Wilson Center.*

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