

U.S. POLICY TOWARD LEBANON

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BEFORE THE
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THE MIDDLE EAST AND NORTH AFRICA
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U.S. POLICY TOWARD LEBANON

WEDNESDAY, OCTOBER 11, 2017

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE MIDDLE EAST AND NORTH AFRICA,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:06 p.m., in room 2172, Rayburn House Office Building, Hon. Ileana Ros-Lehtinen (chairman of the subcommittee) presiding.

Ms. ROS-LEHTINEN. The subcommittee will come to order.

After recognizing myself and Ranking Member Deutch for 5 minutes each for our opening statements, I will then recognize other members seeking recognition for 1 minute. We will then hear from our witnesses. And, without objection, the witnesses' prepared statements will be made a part of the record. Members may have 5 days to insert statements and questions for the record, subject to the length limitation in the rules.

And, Ms. Pryor, we hear that this is your first congressional testimony, so we will ask you the really tough questions. Kidding, kidding, kidding.

The Chair now recognizes herself for 5 minutes.

Since our subcommittee's last hearing on Lebanon, much has changed in our bilateral relationship. Both Lebanon and the United States have new Presidents. The picture in neighboring Syria continues to look dire. ISIS appears to be on its last legs, yet again. But despite these changes, and in some cases because of them, many of the same challenges and concerns about Lebanon and U.S. policy remain.

As one of my Israeli friends put it, Lebanon is essentially "a constitution without a state." Weak political institutions, combined with the influx of refugees from Syria, have strained the Lebanese Government to the point where it struggles to provide even the most basic of services. Most Syrian refugees, numbering well over 1.5 million now, are living in substandard shelters or apartments, struggling to find work, facing increasing hostility from native Lebanese. Refugees now make up about one-third of the country's population. Wow.

Economic challenges, including the Syrian war's damage to Lebanon's tourism, real estate, and construction industries, means that Lebanon's unemployment issues are set to continue and get even worse in the future.

Hezbollah, the Iranian-backed terror group that controls many aspects of the Lebanese Government and society, is only getting

stronger as its fighters come back from Syria armed with new skills, with new weapons, and with its ally, Assad, sadly, still in power.

This is not only a threat to the future and stability of Lebanon, but it presents one of the greatest threats to our ally, the democratic Jewish state of Israel, and to our own national security interests as well. Especially when you consider that Lebanon's new President, Michel Aoun, is a long-time ally of Hezbollah, at one point stating Hezbollah is necessary so that it can battle Israel.

Now, I am aware that there are those who argue that supporting the Lebanese Armed Forces, the LAF, is essential to developing strong security institutions that could serve as a counterweight to Hezbollah.

While I understand the need for an LAF that can protect Lebanon's borders, its territorial integrity, and, at least in theory, mitigate Hezbollah's influence, reports of LAF and Hezbollah coordination and LAF-Hezbollah cooperation have long given me concern over the U.S. commitment to supporting the LAF.

In fact, just this past August, Hezbollah and the Lebanese Armed Forces launched simultaneous operations against ISIS along the Lebanese-Syrian border with numerous reports of coordination between the two groups.

The message that we should be delivering to Lebanon is: If they want U.S. military assistance the LAF can either cut off ties with Hezbollah completely and unequivocally or they have to go at it alone. We must not allow any U.S. equipment to fall into the hands of Hezbollah or any other terrorist organization.

But we provide more than just military assistance, and USAID has its work cut out for itself as it works to respond to Lebanon's need for essentials like clean water, food, economic opportunities, especially when considering the influx of refugees.

I am interested in hearing what kind of work State and USAID are doing to prepare for Lebanon's legislative elections next year, with the stakes higher than ever as Hezbollah and Iran try to cement their control.

I am also interested in hearing any updates on the current status of United States permanent resident and Lebanese citizen, Nizar Zakka. By now we should all be familiar with Nizar's story—invited by the Iranians to participate in a conference, then detained, then arrested, and tried and convicted of trumped up espionage charges, all in an effort by Tehran to exact political and financial concessions.

We heard from his youngest son, Omar, just a few months ago. He sat right here in this room in front of us and he described what he and his family have gone through with the uncertainty of his father's future, and more importantly, his father's health, which is failing.

So I hope to hear some positive updates on what State is doing and what Lebanon is doing to bring Nizar home.

As we talk about the best way to confront Lebanon's numerous challenges, be they political, economic, security, or humanitarian, I worry that our short-term objectives in Lebanon are getting lost in what needs to be a broader strategy in the Middle East.

With Assad consolidating power in Damascus, Tehran continuing to reap the benefits of the JCPOA, and Hezbollah gaining even more power in Beirut, Iran's infamous land bridge to Lebanon appears all but complete.

Chairman Royce and Ranking Member Engel have a great bill, the Hezbollah International Financing Prevention Amendments Act, which would up the sanctions pressure on the terrorist group, and I am hopeful that it gets signed into law soon.

I am looking forward to hearing from our witnesses on exactly how U.S. policy has changed over the past year, how the administration's budget request for Lebanon corresponds to our U.S. national security interests, and how it all fits into our strategy for the region as a whole.

U.S. policy in Lebanon must be calibrated to scale back Hezbollah and Iran's influence, while spurring much-needed security, stability, and prosperity for the country, but I have serious concerns about whether we are having the impact that we all desire.

And with that, I am pleased to yield to my ranking member, the ranking member, Mr. Deutch of Florida.

Mr. DEUTCH. Thank you, Madam Chairman, for convening today's hearing. Thanks to our witnesses for joining us.

Lebanon is a nation long defined by the role of outside forces and internal struggle. The borders of Lebanon as a sovereign state were drawn by France after the breakup of the Ottoman Empire at the end of World War I, to include three main sectarian identities that have continued to play a defining role today—Sunni Muslims, Shia Muslims, and Maronite Christians—who disagreed on the direction of the country, spent 15 years in civil war, and continued sectarian strife since that war ended in 1990.

Today, it is the civil war in neighboring Syria that has really altered the reality in Lebanon, because Lebanon has opened its arms to help its suffering neighbors, but it has struggled to keep up with the sheer scale of the influx.

Lebanon has absorbed over 1 million Syrian refugees in a nation of just 4 million people. Think about that. More than 25 percent of the entire country's population. It would be proportionately equivalent to the United States taking in over 80 million refugees in just a few years.

The United States has stepped up with increased assistance, offering hundreds of millions of dollars in aid for better access to education, improved water and infrastructure services, and to help ensure good governance.

And at a time when Syrians now represent about 40 percent of Lebanon's public school students—40 percent of the public school students—we have built new schools and trained teachers to care for the flow of traumatized students.

But while we look and see the chaos, Hezbollah has looked on and has seen opportunity. Over the past several years, Hezbollah, rather than adhering to U.N. Security Council Resolution 1701, which calls for the disarmament of all armed groups in Lebanon, has done exactly the opposite. With the support of Iran, Hezbollah has built up its military capacity, intervened in Syria to prop up

the Assad regime, and firmly entrenched itself in the Lebanese Government.

Earlier this year the new Lebanese President, Michel Aoun, called Hezbollah a resistance army and an essential part of Lebanon's defense. Meanwhile, Hezbollah now holds roughly 10 percent of the seats in Parliament.

Hezbollah is now so deeply engrained into Lebanon's architecture that some Shiite populations have no choice but to rely on it, not just for security, but for social services, school, and healthcare.

And I think it is worth repeating the obvious here: A legitimate Lebanese Government can't function effectually when it is in constant power struggle to govern with a nonstate actor.

Calling themselves a resistance movement or political party does not diminish from what Hezbollah truly is, an Iranian-backed terror organization. Hezbollah's activities have destabilized the entire region, from its thousands of fighters in Syria to its attacks around the globe that have killed Americans, Europeans, Israelis, and Arabs.

When we held a hearing on Lebanon in this room just 3 years back, I noted that Hezbollah dangerously had more than 75,000 rockets aimed at Israel. Today, as a result of direct support from Iran, Hezbollah has over 150,000 missiles and rockets now capable of reaching every corner of Israeli territory.

In that same hearing, just before Lebanon's elections, I expressed my concern that the selection of a new President who is beholden to Hezbollah would greatly diminish efforts to ensure the Lebanon Armed Forces have sole responsibility for the country's security.

Sadly, I think my concerns have proven to be well-founded. We are now seeing the Lebanese Armed Forces, who should have a monopoly over security in the country, coordinate with Hezbollah to fight ISIS in the border regions of Syria.

So I hope our witnesses today can help us unpack this dangerous trend, help us understand the administration's strategy for working with our international partners to help Lebanese society overcome the influence and penetration of Hezbollah.

And, finally, Mr. Ratney, I hope we can take this opportunity to discuss an issue that is not only pertinent to U.S. policy in Lebanon, but also U.S. policy more broadly in the region. Former National Security Advisor to Vice President Biden, Jake Sullivan, testified earlier today in our full committee that this administration's strategy in Syria, as he put it, has created open running room for Iran, its client Assad, and its proxy Hezbollah, to assert greater control over Syria, including areas adjacent to the border with Israel. Current policy has been casual about allowing Iran and Hezbollah to exploit deescalation zones to their advantage, creating the very real risk that Iran and its proxies set up a permanent presence on Israel's border with Syria.

Moreover, the Syrian Observatory for Human Rights has indicated that Russia and Syria have taken advantage of the deescalation zones to change the balance of power on the ground and to retake the territory that they previously controlled before May.

You helped to negotiate these deescalation zones, so I hope you can provide us with some insight into the decisionmaking process,

how it fits into the overall strategy to push back against Iran, and to help end the bloodshed in Syria.

Madam Chair, I appreciate it.

And thanks so much to our witnesses again.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Deutch.

And now I am pleased to recognize members, if they could make an opening statement. I first turn to Mr. Issa, who is a renowned expert on Lebanon and has more than a familiar interest in the region.

Thank you.

Mr. ISSA. Thank you, Madam Chair. The late Henry Hyde once accused me of having an apartment in Lebanon, I was there so often, although it has been Egypt more lately.

Madam Chair, you said something that I wanted to set the record straight on. A reference toward, if you will, intolerance or anger toward the refugees, although it could exist, pales in comparison to what we would have in the United States if we had over 100 million refugees suddenly here.

The Lebanese have been incredibly tolerant and helpful, putting basically double shifts on all their schools, even though they can't afford it, in order to try to educate and maintain these people. I visited Lebanon and saw what is essentially pieces of wood, cardboard, and a piece of plastic along the edge of a road, but it is still the best that could be done with the funds available.

The one point that I think I would take personal privilege with is, there are three parties, yes, one of them is Christian, but the mosaic of Lebanon includes Orthodox and plenty of other religions that have historically been both together and at odds. In fact, to paraphrase Winston Churchill in 1907, the worst form of government there is, is democracy, except for all the others.

The reality is Lebanon is a dysfunctional democracy because it is a captured state. They do the best they can. It is not good enough. But I would say here today that if we disengage from Lebanon, inevitably we give that country to those who have taken it hostage, to Iran, to Hezbollah. And only through active engagement toward backing the moderate forces that predominately are, in fact, in control of Lebanon do we have an opportunity to guarantee that they will not have that land bridge all the way to the edge of Israel and to the Mediterranean.

So, Madam Chair, Ranking Member, thank you for the opportunity, and I look forward to both of our witnesses.

Ms. ROS-LEHTINEN. And I thank you, Mr. Issa, for setting the record straight. You are quite right in making that—

Mr. ISSA. You know, as a Lebanon American of Orthodox faith, I just had to go one past that Maronite dominance that was assumed.

Ms. ROS-LEHTINEN. Thank you, Mr. Issa, as always.

And now I am pleased to yield to Mr. Boyle.

Mr. BOYLE. Well, thank you. And I applaud the subcommittee chair and ranking member for holding this hearing. I believe that a country we pay too little attention to in a very busy and active Middle East is Lebanon, especially for its ability and potential to further destabilize the region.

I am looking forward to hearing the testimony today. And when I ask my questions, I really will be focusing on those 150,000 rockets that Ranking Member Deutch spoke about and some comments that I was given from a couple of Israeli generals the last time I was there about the prospects for a third Israeli-Lebanon war. But, anyway, I will reserve that until it is time for questions.

Thank you.

Ms. ROS-LEHTINEN. Thank you so much.

And seeing no further requests for time, I will introduce our witnesses. But I want to point out that I am so very pleased that President Trump and Secretary Tillerson have nominated Dr. Yleem Poblete for the position of Assistant Secretary of State, Verification and Compliance. It happened just today. For nearly 20 years, Dr. Poblete was my senior adviser on foreign affairs matters and served as the chief of staff and staff director for our full committee. So, we wish her much success, and I hope that the Senate approves her nomination quickly.

And now I am pleased to welcome our witnesses. First, Michael Ratney, who serves as the Deputy Assistant Secretary at the Bureau of Near Eastern Affairs for the State Department. Prior to Michael's appointment, he served as the U.S. Special Envoy for Syria and as the U.S. Consul General in Jerusalem. Since joining the Foreign Service, Mr. Ratney has done multiple tours in the Middle East/North Africa region and beyond.

Thank you so much for being here this afternoon. And I am sorry that we missed you the last time that we were traveling through Israel, a few months ago. And we look forward to your testimony, Mr. Ratney.

And next we welcome Jeanne Pryor. She is the Acting Deputy Assistant Administrator for the Middle East Bureau of USAID with a focus on Lebanon, Jordan, the West Bank, and Gaza. Prior to this position, Ms. Pryor served as the Director of the Office of Middle East Affairs. Ms. Pryor has also held various positions for USAID in Afghanistan and other countries in the region.

Thank you so much, Jeanne, for being with us, and we look forward to your testimony.

And I want the members to know that we had invited the Department of Defense to come and offer a witness for this hearing, but, unfortunately, repeated attempts to confirm a witness went unanswered.

So we thank you for coming.

Mr. Ratney, we will begin with you.

STATEMENT OF MR. MICHAEL RATNEY, DEPUTY ASSISTANT SECRETARY, BUREAU OF NEAR EASTERN AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. RATNEY. Thank you very much, ma'am.

Chairman Ros-Lehtinen, Ranking Member Deutch, distinguished members of the subcommittee, thank you very much for inviting me here today to discuss our bilateral relationship with Lebanon. I would like to request that my full opening statement be submitted for the record.

Ms. ROS-LEHTINEN. Without objection.

Mr. RATNEY. Lebanon has a critical role to play in facing our foremost security challenges in the Middle East, from the campaign to defeat ISIS, to our efforts to push back against Iran's malign influence. A safe, stable, and prosperous Lebanon is key to advancing a range of U.S. interests.

In July, President Trump welcomed Lebanon Prime Minister Saad Hariri to Washington and reaffirmed our continued support for Lebanon. Both leaders discussed the challenges facing Lebanon, including Hezbollah's destabilizing influence, the threat of ISIS and other violent extremist groups, as well as the refugee situation.

President Trump expressed our Government's deep concerns regarding Hezbollah's activities, particularly those in Syria. He pledged the U.S. Government's continuing assistance in strengthening Lebanon's institutions, especially the Lebanese Armed Forces, as a bulwark against extremism and instability.

To that end, the United States is and will remain Lebanon's top security assistance partner. Since 2006, the United States has provided more than \$1.5 billion in security assistance, including the provision of training and military equipment.

There is no better evidence of the impact of this support than the Lebanese Army's successes against ISIS. The Lebanese Armed Forces, or the LAF, as it is known, has been defending Lebanon's borders and fighting ISIS since ISIS first invaded Lebanon in 2014, and what they have accomplished in such a short time and under very difficult circumstances has been extremely impressive.

However, Lebanon faces many challenges. Few countries have suffered as much from the spillover of the crisis in Syria. Today, one out of five people in Lebanon is a refugee, more per capita than any other country, including more than 1 million Syrians. This is, as you have noted, an incredible number for a country smaller than the State of Connecticut.

The United States stands ready to help. Since the start of the crisis, the United States provided nearly \$1.6 billion in humanitarian aid to Syrian refugees and to the communities that host them in Lebanon. We have also provided \$1.2 billion in economic and development assistance since 2006 to the Lebanese people, strengthening the Lebanese Government's ability to provide basic services for its people. I know my colleague from USAID will further address our efforts on that front.

Lebanon faces another equally vexing challenge from the terrorist group Hezbollah. Hezbollah has long been a menace to the Lebanese state and to the region. With Iranian support, it continues to grow its military arsenal and threaten regional stability. And, of course, Hezbollah exists to threaten Israel, whose citizens face the horrible reality of tens of thousands of Hezbollah rockets pointed southward. I don't need to tell you how profoundly dangerous a war between Israel and Hezbollah would be.

Hezbollah continuously attempts to undermine the LAF as the sole legitimate defender of Lebanon. It also works to undermine the Lebanese Government's authority, and through its actions in Syria it further destabilizes an already fragile region.

One recent step we have taken to push back against Hezbollah is to work with the U.N. Security Council to strengthen UNIFIL's mandate. The new strengthened resolution passed on August 30

demands that UNIFIL enhance its patrols and inspections in southern Lebanon, something we think is necessary to ensure Hezbollah cannot continue to build up its military arsenal so close to our ally Israel. The new resolution also calls for timelines and benchmarks for UNIFIL to help build up the LAF's capacity.

We are also implementing sanctions authorities that Congress has provided in order to degrade Hezbollah's capabilities and dismantle its finances. We continue to coordinate with our colleagues at Treasury and in the intelligence community in this effort. And just yesterday, the State Department announced Rewards for Justice offers for two senior Hezbollah operatives.

In these and many other ways, we are working to promote a safe, independent, and stable Lebanon, which is in the interest of the American people as much as it is in the interest of the Lebanese.

So thank you for the invitation to testify before the subcommittee, and I welcome the opportunity to answer your questions.

[The prepared statement of Mr. Ratney follows:]

Testimony

Before the House Foreign Affairs Committee

Subcommittee on the Middle East and North Africa

U.S. Policy Toward Lebanon

Statement of

Michael A. Ratney,

Acting Deputy Assistant Secretary of State for Near Eastern Affairs

October 11, 2017

Chairman Ros-Lehtinen, Ranking Member Deutch, distinguished members of the Subcommittee, thank you for inviting me to discuss United States policy towards Lebanon. Lebanon is on the front lines of our foremost national security interests and challenges in the Middle East, from the campaign to defeat the Islamic State in Iraq and Syria (ISIS) to our efforts to push back on Iran's destabilizing influence. Wedged between our close ally, Israel, to the south, and the brutal Assad regime in Syria to the north and east, a Lebanon that is stable, tolerant, moderate and prosperous, and whose government is in full control of its own sovereignty is crucial to advancing U.S. national interests in the Middle East.

Lebanon today faces three critical challenges: first, the spillover effects of the Syrian conflict, including the significant population of Syrian refugees in Lebanon and security threats from ISIS and other extremist groups; second, the activities of Hizballah, a designated terrorist organization that puts its own interests and those of its sponsor, Iran, ahead of the Lebanese people; and third, consolidating and strengthening a stable system of governance that guarantees the rights of all of Lebanon's citizens and can deliver essential services. Our strategy for helping Lebanon address these challenges is simple, but not easy: ensure that Lebanese security forces have the tools they need to prevent ISIS and other extremist groups from destabilizing the country, help build strong, legitimate state institutions capable of being responsive to all Lebanese people, providing assistance to alleviate the pressure from refugees, and working to diversify the economy.

Much has changed on the Lebanese political front over the last year. After 29 months of political gridlock and a presidential vacancy, the Lebanese parliament elected a former commander of the Lebanese Armed Forces (LAF),

General Michel Aoun, as president in October 2016. Since President Aoun's election last fall, a cabinet was formed under Prime Minister Saad Hariri, and Lebanon's formerly dormant government and parliament have gradually restored government functions and addressed some key issues that had long remained stagnant. Most notably, the Lebanese parliament passed a new electoral law in June. Parliamentary elections, which have not been held since 2009 due to security concerns and disagreement over the electoral law, are now slated for May 2018. The cabinet also approved a draft budget for the first time in 12 years, which is now in committee for final deliberation.

Lebanon's relatively new government presents both opportunities and challenges for U.S. interests. In July, President Trump welcomed Prime Minister Hariri to Washington. The two leaders discussed the challenges facing Lebanon, including the Hizballah's destabilizing influence, the threat of ISIS and other violent extremist groups, and the refugee situation. President Trump also expressed our government's deep concerns regarding Hizballah's activities, particularly those in Syria, despite Lebanon's policy of dissociation from the conflict. Both leaders committed to strengthening the bilateral relationship in the future and encouraging other international partners to support Lebanon as it faces these challenges.

But despite this recent progress, Lebanon's domestic politics remain divisive. Its governing system – a parliamentary republic with a de-centralized power structure, and leadership positions often allocated based on religious confession – is rife with corruption, conflicting political interests, and constantly shifting alliances. This includes Hizballah, which currently holds two cabinet ministries (Industry, and Sports and Youth) as well as 13 seats in parliament.

President Aoun and his political party, the Free Patriotic Movement, and some other political parties openly maintain a political alliance with Hizballah. . We have made clear to all of our interlocutors that we are troubled by the participation of a terrorist organization like Hizballah in Lebanon's government. Our relationship with the Lebanese government must be based on common interests and shared goals. Lebanon's government can only overcome its divisiveness by building strong institutions that can serve the basic needs of the Lebanese people and deliver essential services, a goal we share. A stronger, more stable Lebanon will be a better partner for us and for the international community.

Hizballah's role within the Lebanese government is a challenge for U.S. diplomacy in Lebanon. The organization continues to exploit institutional weaknesses and the ever-present threat of violence to expand its political power and force other parties to conform to its agenda. Although Lebanon's late 2016 formation of a government and its early achievements are positive steps, Hizballah remains one of the greatest threats to the stability of Lebanon and the region. As President Trump said in July, "Hizballah is a menace to the Lebanese state, the Lebanese people, and the entire region. The group continues to increase its military arsenal, which threatens to start yet another conflict with Israel... with the support of Iran, the organization is also fueling the humanitarian catastrophe in Syria. Hizballah likes to portray itself as a defender of Lebanese interests, but it's very clear that its true interests are those of itself and its sponsor -- Iran."

Hizballah also poses a threat to our friends in Israel. Hizballah's terrorist and military activities, as well as its efforts to expand its military arsenal, could trigger a conflict between Hizballah and Israel, as it did in 2006, that would destroy Lebanon's hard-won stability, and likely cause huge numbers of civilian

casualties. The continued existence of Hizballah's arsenal inside Lebanon is a blatant and egregious violation of numerous UN Security Council Resolutions. We have been firm with all of our Lebanese and international counterparts that this type of activity must stop before it creates a situation between Israel and Hizballah that would be impossible to de-escalate.

The U.S. government has taken a number of steps to push back on Hizballah's activities, including pushing for a strengthened resolution to renew the mandate for the UN Interim Force in Lebanon (UNIFIL) this past August. Ambassador Nikki Haley has made clear that we do not accept business-as-usual behavior from UNIFIL in light of the Hizballah threat. In the UNIFIL renewal, we secured language demanding that UNIFIL step up its patrols and inspections, and establish a more visible presence. Further, UNIFIL is now required to tell the Security Council when it runs into a roadblock or any other obstacle that prevents UNIFIL from carrying out its duties. If Hizballah stops a UNIFIL patrol, UNIFIL now needs to tell us when, where, and how it happened. Finally, the resolution calls for precise timelines and benchmarks for UNIFIL to help build up the Lebanese Armed Forces' (LAF) capacity, with the goal of eventually transitioning responsibility of southern Lebanon to the LAF. We are following up closely on the implementation of this resolution to ensure UNIFIL acts as mandated.

We are also implementing the sanctions authorities that Congress has provided to degrade Hizballah's capabilities, dismantle its global financial network, and deny Hizballah access to the international financial system. Before the passage of the Hizballah International Financing Prevention Act (HIFPA) in 2015, we had already targeted the nodes of Hizballah's global financial network by designating more than 100 Hizballah-affiliated individuals and entities. In May,

the State Department announced the terrorist designation of Hashem Safieddine, a key member of Hizballah's executive council, which oversees Hizballah's political, social, and educational activities. Two months earlier, in March, Kassim Tajideen, a prominent Hizballah financier and Specially Designated Global Terrorist, was arrested and is now facing charges in the United States. In June, the Department of Justice announced the arrest of two men in New York and Michigan who allegedly trained with and supported Hizballah's External Security Organization to gather intelligence on potential targets within the U.S. homeland and abroad.

As our CT Coordinator Ambassador Nathan Sales made clear on October 10, countering Hizballah's terrorist and criminal activities is an international effort. In the last several years, we have seen growing recognition around the world of Hizballah's true nature. The GCC, Arab League, Canada, and New Zealand have joined us in designating Hizballah as a terrorist organization. While the EU has sanctioned its "military wing," we continue to call on all governments to designate Hizballah in its entirety. Hizballah itself admits that there is no difference between its political and military elements. The United States has also made strides in working with our partners to counter the threat posed by Hizballah. We have worked with Europol to establish the Law Enforcement Coordination Group to help governments better understand Hizballah's modus operandi, and to foster the regional cooperation necessary to counter the group's terrorist and criminal activities around the world. We have also convened partners in Europe, South America, West Africa, Southeast Asia and the Middle East to discuss how best to use law enforcement and financial tools to disrupt Hizballah's worldwide terrorist and criminal infrastructure. And we look forward to seeing those discussions and information exchanges translate into concrete action.

A key aspect of our efforts to strengthen Lebanese government institutions lies in the security sector. In recent years, the LAF has emerged as a well-trained, well-equipped, and fully capable fighting force, and one that many Lebanese see as the sole legitimate defender of Lebanon thanks to U.S. assistance. The United States has provided more than \$1.5 billion in security assistance to Lebanon since 2006, the bulk of which goes to helping the LAF build its capacity to secure Lebanon's borders, counter violent extremism, and increase civilian security. Many of the highest ranking officers in the LAF have attended U.S. professional military education (PME) courses at various points in their careers, building professionalism in the LAF's officer corps. This long-term investment is showing clear dividends – with U.S. training and weapons, the LAF has increased its operational tempo, reinforced Lebanon's borders, and taken measures to counter the destabilizing effects of the Syrian conflict.

The LAF has repelled or contained numerous, serious incursion attempts by terrorist groups into Lebanese territory. It has been successfully protecting Lebanon's borders and fighting ISIS since ISIS first invaded in 2014. Most recently, the LAF executed a highly successful campaign in the Aarsal region, finally pushing the last pocket of ISIS outside its borders and demonstrating the value of our long-term investment in, and commitment to, Lebanon's military forces. What the LAF has accomplished in such a short time, and under such difficult circumstances, has kept ISIS and extremist groups from reaching further across the Middle East. Increasing the LAF's capacity as the sole legitimate defender of Lebanon's sovereignty builds confidence in the Lebanese state while reducing the influence of non-state actors.

Hizballah has taken notice of the LAF's newfound capabilities, and has responded by attempting to undermine the LAF – and also by trying to drive a wedge into the relationship between the United States and the LAF. Recent efforts to push ISIS out of Lebanon through the Aarsal and Ras Baalbek campaigns illustrate the complexity of the situation for both the LAF and the United States. In late July, during Prime Minister Hariri's visit to Washington, Hizballah unilaterally launched an offensive inside Lebanon to oust Fatah al-Sham terrorists (formerly al-Nusra Front) in the northeastern border town of Aarsal. When the LAF later launched its own offensive against ISIS in nearby Ras Baalbek, Hizballah launched a concurrent attack on the Syrian side of the border. Hizballah then allowed 600 ISIS militants and their families, who were within hours of being captured or killed by the LAF, to escape instead into Syria. This move generated outrage in Lebanon and across the Middle East. Hizballah has publicly engaged in military action inside Syria, supporting the brutal Assad regime and worsening a conflict that is driving much of the instability in the region. Lebanon now faces the added concern of trained and battle-hardened Hizballah fighters returning home from Syria.

We have firmly expressed, at every level of the Lebanese government, that Hizballah's attempts to undermine the LAF cannot be allowed to succeed. This relationship is more valuable now than ever, and the United States remains fully committed to helping Lebanon and the Lebanese people. We have made clear that there must not be any cooperation between the LAF and Hizballah. The goal of U.S. assistance is to strengthen the LAF as the sole legitimate defender of Lebanon. Now is the time to double down on our partnership with and investment in the LAF, as it expands its ability to fight extremists, defend the Lebanese multi-confessional, democratic system, and serves as a crucial partner to the United States in a complicated region.

Our close security cooperation extends beyond the LAF to Lebanon's Internal Security Forces (ISF), which is working to prevent threats to Lebanon, the United States and our allies. Over the course of 2017, the ISF has raided several terrorist cells and arrested suspects associated with ISIS. The State Department has provided more than \$125 million in assistance to the ISF to prevent, deter and investigate criminal and terrorist incidents. Through training and equipment provision, we have aided the ISF in becoming more effective and capable partners with U.S. law enforcement, and leaders in counterterrorism operations and major incident response. This assistance is provided to individuals that successfully pass foreign terrorist organization and gross human rights violations vetting, and the Department adheres to strict end use monitoring policies. With State Department assistance, the ISF is transforming into a modern, capable force conducting advanced counterterrorist operations, maintaining safety and security, and gaining the trust and respect of the Lebanese people.

Another concern for Lebanon is the impact of the Syrian crisis, which is driving an influx of refugees into Lebanon – where one out of five people today is a refugee. In a country the size of Connecticut with a pre-crisis population of 4.5 million, the influx of over 1 million registered Syrian refugees, in addition to the longstanding Palestinian refugee population, means that Lebanon is hosting more refugees per capita than any country in the world. With increased demands on Lebanon's weak infrastructure and public services and its economy burdened by the Syria crisis, the refugee situation is testing Lebanon's famed resilience for coping with crises. The international community must recognize the global public good that Lebanon is providing as a host to so many refugees, and continue providing humanitarian aid as a form of responsibility-sharing.

U.S. assistance to Syrian refugees – and our support for the Lebanese communities that have generously hosted them – has played a critical role in saving and sustaining the lives of people displaced by war, and has helped Lebanon maintain its tenuous political stability. Since the start of the crisis in Syria, the United States has provided nearly \$1.6 billion in humanitarian aid to deliver clean water, food, shelter and healthcare to Syrian refugees in Lebanon and to assist the communities hosting them – including nearly \$29 million in additional funding announced in September during the UN General Assembly and \$140 million during Prime Minister Hariri’s visit in July.

We applaud Lebanon’s generosity and commend the Lebanese government for maintaining its commitment to a policy of non-refoulement, though some in Lebanon are calling for a forced return of refugees to areas in Syria that are not free from the potential for violence. We also commend the Lebanese government for lifting a residency fee for registered Syrian refugees who arrived before January 1, 2015. We encourage Lebanon to permit all refugees to register with UNHCR and to lift the residency fee for those who arrived after 2014. We further commend Lebanon for enrolling 260,000 Lebanese and 195,000 refugee children in Lebanese public schools last year, including running – for the fourth consecutive year – a second school shift to make this happen. It is in our common interest to prevent the loss of an entire generation of young Syrians while helping the Lebanese government provide a quality education to all children.

Another key element of our strategy to help Lebanon over the long-term is to strengthen its national institutions, particularly by supporting its financial sector and diversifying its economy, expanding U.S. security assistance programs for

Lebanese security forces, and encouraging the effective delivery of essential services without graft. The Syria crisis has hurt Lebanon's economy by reducing regional trade and nearly eliminating its tourism industry.

Fortunately, Lebanon's banking sector -- the backbone of the economy -- remains strong and it is in our interest to keep it that way. Lebanon has worked closely with us to strictly enforce our anti-money laundering and counter-terrorist financing efforts to keep its financial system fully compliant and connected to the rest of the international financial system. It is also a regional leader of the Financial Action Task Force (FATF), and has revised its laws to comply with FATF and the Organisation for Economic Co-operation and Development (OECD).

The United States has also provided \$1.2 billion in economic and development assistance since 2006 to the Lebanese people. These funds have played a crucial role in promoting democracy, rule of law and good governance in Lebanon's institutions, as well as advancing access to education, clean water, and supporting social cohesion. This assistance bolsters the cohesion of the Lebanese people against the influence of extremist groups, and reduces tensions in local communities vulnerable to recruitment and support for such organizations. Of the \$110 million of economic development assistance provided to Lebanon in FY 2016, \$72 million helped to provide access to clean water and education to Lebanese host communities deeply impacted by the influx of Syrian refugees. For further details on this issue, I refer you to my colleague from USAID.

We also engage closely with our Lebanese partners in promoting economic development and innovation, including business-to-business ties to U.S.

companies. One major success story was in May 2017, when Philadelphia-based insurance company Cigna Corporation completed its acquisition of Zurich Insurance Middle East. Cigna intends its acquisition of Zurich to drive its expansion into Lebanon and the broader Middle East. The State Department's sustained advocacy on Cigna's behalf was instrumental in making this deal happen. The United States is now Lebanon's third largest trading partner – up from fifth place in 2015. Our robust commercial advocacy and U.S. export promotion efforts have made automotive, apparel, and franchising the leading sectors for U.S. exports to Lebanon. Embassy Beirut's Commercial Section has counseled over 100 U.S. companies since 2016 on undertaking new business opportunities in Lebanon. We are also encouraging Lebanon to find other ways to diversify its economy to better weather unpredictable financial downturns.

Madam Chairman and members of the committee, in these and many other ways, we are contributing to the stability, independence and security of Lebanon, which is as much in the U.S. interest as it is Lebanon's. Thank you for the invitation to testify before the Subcommittee. I welcome the opportunity answer your questions.

Ms. ROS-LEHTINEN. Thank you so much, Michael.
Ms. Pryor.

STATEMENT OF MS. JEANNE PRYOR, ACTING DEPUTY ASSISTANT ADMINISTRATOR, BUREAU FOR THE MIDDLE EAST, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Ms. PRYOR. Thank you. Chairman Ros-Lehtinen, Ranking Member Deutch, distinguished members of the subcommittee, thank you for the opportunity to discuss USAID assistance to Lebanon.

Since 2006, with the support of Congress, the United States has provided approximately \$1.2 billion in economic assistance to the Lebanese people. Together with USAID's technical expertise, these funds have played a critical role in promoting Lebanon's stability through programs focused on good governance, education, clean water, and social cohesion.

As Deputy Assistant Secretary Ratney outlined, Lebanon is facing many challenges. The spillover from the Syria crisis has weakened the Lebanese economy and put excessive pressure on the delivery of services. Investment and trade with neighbors has slowed, tourism is down sharply, and unemployment has nearly doubled since 2012.

In the context of these challenges, I would like to talk briefly about how USAID's programming is helping local partners to deliver services across Lebanon, supporting Lebanon's private sector, and enhancing inclusive economic growth.

One program I would like to highlight is the Middle East North Africa Investment Initiative, which supports business startups. These are the Lebanese entrepreneurs who are pushing Lebanon forward and creating jobs.

Among them is a 28-year-old woman who studied in Montreal and returned home to open a small food processing factory in northern Lebanon. She applied for investment capital and received \$200,000 to expand operations and hire more people.

Today this woman owns the first wheat-free bakery in Lebanon. When I was Beirut in September, I had the chance to visit her cafe. Her products are now available at grocery stores in Lebanon and she is looking to expand into international markets.

A separate project works with thousands of micro-, small-, and medium-scale producers, processors, and cooperatives in Lebanon. As part of the program, USAID has helped more than 1,500 families generate \$3 million in sales through the production and marketing of honey. These businesses are great examples of the lasting impacts that small USAID investments can have in Lebanon.

USAID is currently working in partnership with municipalities and civil societies throughout Lebanon to promote stability and counter malign influences by improving access to public services, empowering civil society to promote a culture of good citizenship, and offering opportunities to youth and other marginalized populations.

USAID coordinates with the Ministry of Education and Higher Education to strengthen the quality of Lebanon's public schools by training teachers, improving reading skills, and increasing access to education for vulnerable Lebanese and Syrian refugees.

Last month, I visited a public school in Mount Lebanon where children attend in two shifts because of the increase in students due to the Syrian crisis. This school and 150 other schools across Lebanon benefit from our retention support program with UNICEF, which provides academic and extracurricular help to prevent Lebanese and non-Lebanese children from dropping out of school.

Another aspect of our education support is the University Scholarship Program that gives financially disadvantaged youth an opportunity to study at either the American University of Beirut or the Lebanese American University. Since 2010, with the support of Congress, USAID has funded nearly 900 undergraduate scholarships, with 110 candidates expected to start in the next academic year.

Last month, I spoke with 18 recipients who shared how the scholarship has affected them, their families, and communities. One student from southern Lebanon told me the support allowed her to be the first person from her village to attend university.

These scholars are leaders and change-makers in their communities. The scholarship program also plays an important role in promoting American educational and democratic values abroad.

While in Lebanon, I also traveled to the Bekaa Valley, where we helped the regional water company with new equipment, systems and techniques for water management and treatment. With our assistance, the Bekaa water establishment can sustain its own operations and has improved the supply of clean water to around 1 million residents, including Syrian refugees.

USAID is also providing food assistance through the World Food Programme to support Syrian refugees inside Lebanon. Approximately 670,000 Syrian refugees in Lebanon receive food aid assistance through electronic food cards that are redeemable at more than 500 shops nationwide, injecting \$926 million into the Lebanese economy.

We believe these programs contribute to helping to secure a more peaceful, prosperous, and stable Lebanon, and we continue to work with our Lebanese partners to further mutual interests in stability and prosperity.

Thank you for the opportunity to testify today, and I look forward to answering your questions.

[The prepared statement of Ms. Pryor follows:]

Testimony
Before the House Foreign Affairs Committee
Subcommittee on the Middle East and North Africa
U.S. Policy Toward Lebanon
Statement of Jeanne Pryor, Acting Deputy Assistant Administrator
USAID Middle East Bureau
October 11, 2017

Chairman Ros-Lehtinen, Ranking Member Deutch, distinguished members of the Subcommittee, thank you for the opportunity to discuss USAID assistance to Lebanon.

Lebanon remains a high priority for the United States. Since 2006, with the support of Congress, the United States has provided approximately \$1.2 billion in economic assistance to the Lebanese people. Together with USAID's technical expertise, these funds have played a critical role in promoting Lebanon's stability and security through programs focused on good governance, advancing access to education and clean water, and supporting social cohesion.

As Deputy Assistant Secretary Ratney outlined, Lebanon is facing many challenges. The spillover from the Syria crisis has weakened the Lebanese economy, and put excessive pressure on the delivery of services. Many schools are overcrowded, food prices have escalated, and basic health delivery services are overwhelmed. Power, water and sanitation services do not meet the people's needs, and tensions between Lebanese host communities and the Syrian refugee population have intensified. Investment and trade with neighbors has slowed; tourism is down sharply from 2010; and unemployment has nearly doubled since 2012.

In the context of these challenges, I would like to talk briefly about how USAID's programming is helping local partners deliver services across Lebanon, supporting Lebanon's private sector, and enhancing inclusive economic growth. Strong local Lebanese communities empower the Lebanese people, and can serve as an alternative to extremist elements.

Current programming

USAID is improving Lebanon's economic stability and providing income-generating opportunities for small business and creating jobs for the rural population, women, and youth. To strengthen small- and medium-sized businesses, USAID partners are helping Lebanese businesses identify and expand their access to markets, link them with buyers, and help them access finance.

One program I would like to highlight is the Middle East North Africa Investment Initiative, which supports business start-ups in developing more effective products, technologies, and ideas - these are the Lebanese entrepreneurs who are pushing Lebanon forward. Among them is Soumaya Merhi (Soo-my-ya Mear-hee), a 28-year-old woman who studied food economics in Montreal and returned home to open a 400-square-meter food processing factory in northern Lebanon. She applied for investment capital and received \$200,000 to expand operations and hire additional employees. Today, Soumaya is the owner of Taqa, the first wheat-free bakery in Lebanon. She has seven employees and sources from two farmers in the Bekaa Valley. When I was in Lebanon in September this year, I had the chance to visit her boutique café, which she opened in May, and sample her vegan and gluten-free products, which are now available at grocery stores in Lebanon. She is now looking to expand into international markets.

The Lebanon Industry Value Chain Development project provides opportunities for women and youth in rural areas across Lebanon. This project works with thousands of micro-, small- and medium-scale producers, processors, collectors, companies and cooperatives to increase quality and productivity. The apple industry in Lebanon was hurt by the regional crisis, and Lebanese farmers have had to identify new markets outside the Middle East. USAID is training over 900 farmers on improved production techniques and helping them identify new markets.

I also visited the Golden Queen Center, an artificial insemination lab for honeybees. Improving the honey sector is the most flexible and appropriate approach to quickly help large numbers of rural poor help themselves. Since October 2012, USAID has helped more than 1,500 families generate income through the production and marketing of honey. Our assistance has resulted in sales of over \$3 million. These businesses are great examples of the lasting impact that small USAID investments can have in Lebanon.

Through our microfinance projects, we are supporting very small businesses. Let me give you just one example: Youssef Barakat is a 49-year old Lebanese citizen who lost his eyesight at the age of 20 and currently supports his wife and 12-year-old daughter. Through a \$10,000 loan, Youssef was able to convert part of his house into a small factory where he produces incense bags and fruit preserves. In addition to this loan, we also provided Youssef with business development support, and encouraged him to open a small shop outside of his home. Over the past three months, USAID's assistance has changed Youssef's life. He has established a base of regular customers and his income has doubled.

USAID programs also promote stability and counter malign influences by improving access to public services empowering civil society to promote a culture of good citizenship and offering opportunities to youth and other marginalized populations. USAID is currently working in partnership with municipalities and civil society throughout Lebanon. These activities include: electricity generation through solar power, more efficient irrigation systems, access to potable water, income generation through rural tourism, transportation solutions for students to attend public schools, equipment for community health clinics, and community centers that offer sports and social activities to promote youth engagement.

USAID places great emphasis on the importance of education and coordinates with the Ministry of Education and Higher Education (MEHE) to strengthen the quality of Lebanon's public schools by training teachers, improving reading skills and improving access to education for vulnerable Lebanese and Syrian refugees. Last month I visited a public elementary school in Mount Lebanon. In order to accommodate the increase in students due to the Syrian crisis in the community, the school hosts two shifts in the school day. This school benefits from our retention support program with the U.N. Children's Emergency Fund (UNICEF). Over 150 Lebanese public schools benefit from this program, which provides extra academic and extracurricular help to prevent Lebanese and non-Lebanese children from dropping out of school.

Another aspect of our education support is the University Scholars Program (USP) that provides financially disadvantaged youth an opportunity to study at either the American University of Beirut or the Lebanese American University. Since 2010, with the support of Congress, USAID has funded nearly 900

undergraduate scholarships, with 110 candidates expected to start in the next academic year. Scholarships are awarded through a transparent competitive process to students with academic merit and demonstrated financial need.

Last month, I spoke with 18 scholarship recipients who shared with me how the scholarship that they received has affected them, their families and communities. One student from southern Lebanon told me the support allowed her to be the first ever from her village to attend university. The USP scholars are leaders and change makers in their communities. The scholarship program also plays an important role in promoting American educational and democratic values abroad.

While in Lebanon, I also traveled to the Bekaa Valley, where I met with officials from the Bekaa Water Establishment and visited a water treatment facility and customer service center rehabilitated by USAID. Water resources in Lebanon suffer from lack of proper management. Uncontrolled agricultural runoff and untreated sewage jeopardize the quality of water resources. Household water supply is intermittent and of poor quality.

Our support to the water establishment involved the introduction of new equipment, systems and techniques for improved water management and treatment. With our assistance, the Bekaa Water Establishment can sustain its own operations and has improved the supply of clean potable water to around one million residents of the Bekaa, including Syrian refugees.

In addition to the assistance we are providing to host communities in Lebanon, USAID is also providing food assistance, through the World Food

Programme (WFP), to directly support Syrian refugees inside Lebanon. Approximately 670,000 Syrian refugees in Lebanon receive food assistance through electronic food vouchers that are redeemable at more than 500 shops nationwide. Through this market-based intervention, WFP has injected \$926 million dollars into the Lebanese economy

Conclusion

We believe that a peaceful, prosperous and stable Lebanon can make an important contribution to comprehensive peace in the Middle East, and we continue to work with our Lebanese partners to further our mutual interests in stability and prosperity.

We will continue to draw on our experience, partnerships and long history in Lebanon to respond to the needs expressed by Lebanese citizens, to enable them to strengthen their capacity to drive and sustain their own development.

Thank you for the opportunity to testify today, and I look forward to answering your questions.

Ms. ROS-LEHTINEN. Thank you so much. Excellent testimony. We thank you both for being here.

And as I mentioned in my opening statement, I am hopeful that State can give us all an update on U.S. permanent resident and Lebanese citizen Nizar Zakka, who is being held unjustly in Iran.

Mr. Ratney, can you tell us what both State and Lebanon are doing to bring Nizar home?

Mr. RATNEY. So, ma'am, we are well familiar with the case, and like you, we have met with his family and we follow it. There are some privacy considerations associated with discussing the specifics of it. So for the purposes of this hearing, suffice to say that we are painfully familiar with the injustices of people trapped in the darkness of the Iranian justice system. And what I would like to do is go back and see if we can get you some more for details in a different setting, if I could.

Ms. ROS-LEHTINEN. Thank you so much, and totally understand.

And, Mr. Ratney, many of us are concerned about Hezbollah's influence over the Lebanese Government, especially the Lebanese Armed Forces, LAF. Considering the increased Hezbollah-LAF cooperation, can you explain how our U.S. assistance to the LAF—I know you call it “laugh,” but it doesn't seem right, LAF—is helping to further our goal of rolling back Iranian influence throughout the region? And do you support conditioning our aid to the LAF on the LAF cutting its ties with Hezbollah?

Mr. RATNEY. Thanks, ma'am. It is a very important question.

Honestly, Beirut, Lebanon, gets a lot of visitors from senior military officials from the Department of Defense, from CENTCOM and SOCOM, who consistently regard the LAF—I will go with LAF—as a reliable and credible partner in the counterterrorism campaign. They regard it as a partner worthy of our assistance, worthy of our cooperation and partnership, and we share that view very much.

As I think one of your colleagues has said, the Lebanese Armed Forces, and Lebanon in general, are operating in a complicated, difficult, sometimes fragile environment, but we hold them to certain standards. And what we have not seen is evidence of the sort of actual military cooperation, maneuver cooperation, that would really cause us concern between the LAF and Hezbollah.

We have seen, at times, things that we would consider deconfliction. These are two military forces that are operating in the same battle space and it is important that they don't start fighting each other. There are times, including during the recent campaign to oust ISIS from Ras Baalbek, in which we did start to see signals of higher levels of communication between the LAF and Hezbollah, things that do start to cause us concern.

And I can assure you that those are foremost on our agenda when we talk with the Lebanese leadership. And it was foremost on the agenda when Prime Minister Hariri was here, both in his meetings with the administration and I am quite sure when he was meeting with your colleagues here on Capitol Hill, and it will continue to be so.

So I think that is the way we will continue to take it, to have a forthright conversation with them. What I don't think we can do is simply abandon them and cede the territory entirely to

Hezbollah. If we do that, Hezbollah owns the battle space and Hezbollah owns the agenda.

And to your point about pushing back on Iranian influence, Hezbollah is clearly a major tool, an expression of Iranian influence and expansionism. And if we abandon Lebanon to Hezbollah, we effectively abandon Lebanon to Iran.

Ms. ROS-LEHTINEN. Good points. Thank you.

Ms. Pryor, Lebanon, as we know, is scheduled to hold Parliamentary elections in May 2018 in which moderate pro-Western parties will be challenged by resurgent Hezbollah-dominated coalitions. It is my understanding that a lot of the democracy and governance work that we were once doing in Lebanon we are having to scale back over in the last year, at least, and may not be renewed.

Can you tell us what the U.S. is doing to support the 2018 elections process? What is our role there? How much is Embassy Beirut currently spending to help pro-Western political parties and actors in Lebanon, without interfering in the electoral process? Have these numbers changed at all, have these figures in the last few months, and if so, why the change?

Thank you.

Ms. PRYOR. Thank you.

We still maintain robust support to civil society groups, and we intend to do that in the future years as well. It is a vibrant civil society, as you may know, and valuable in holding especially municipalities accountable to their citizens.

In terms of elections planning, we are currently in discussions with the Embassy in Beirut on what is the best approach for that. And we are happy to keep you updated as those plans come together. I defer to Michael on the Embassy side.

Mr. RATNEY. I am sorry, the question was?

Ms. ROS-LEHTINEN. How much is Embassy Beirut spending? Are we involved in helping governance, the rule of law, civil society, pro-Western political parties? Not that we are involved in pushing a political party, but in the realm of governance, the rule of law, human rights, fostering democracy, those big ticket items.

Mr. RATNEY. Let me get you a breakdown of all of that. I don't have all of those numbers in that level of detail, but I am happy to share that with you.

[The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM MR. MICHAEL RATNEY TO QUESTION ASKED
DURING THE HEARING BY THE HONORABLE ILEANA ROS-LEHTINEN

The Administration believes supporting Lebanon's democratic processes and institutions is crucial to advancing U.S. interests in Lebanon, in order to maintain Lebanese and regional stability. In FY 2016, approximately \$18.650 million in U.S. foreign assistance supported programming that bolstered the ability of Lebanese civil society organizations and governmental institutions to respond to the needs of Lebanese citizens, encourage dialogue between parties and constituents, and support greater participation in Lebanon's elections. The Department of State and USAID will continue to support democracy, governance, and rule of law programming in Lebanon with FY 2017 funds.

Ms. ROS-LEHTINEN. Thank you so much. Thank you to both of you again for being here.

Mr. Deutch is recognized.

Mr. DEUTCH. Thank you, Madam Chairman.

I want to take a moment, Madam Chairman, just to acknowledge Ms. Pryor.

We have lots of debates here, we talk about the budget and why it is so shortsighted and inadvisable to make drastic cuts to our USAID budget. And at a time when there is so much bad news, your description of the students and entrepreneurs and kids who are being helped with the work that you do deserves our deep appreciation, and I just wanted to tell you thanks.

Mr. Ratney, this committee recently passed a resolution—and, Ms. Pryor, I should also thank all of those folks who are out in the field doing this good work it, too, it is not limited only to you.

We passed a resolution that I authored calling on the European Union to fully designate Hezbollah as a terrorist organization. As you know, in 2013 the EU designated Hezbollah's military wing, but not its political wing as a terrorist group. Now, we on this committee have been clear that it is a false distinction.

Last year, the GCC and the Arab League both designated Hezbollah as a terrorist organization. They made no distinction between military and political wing because they understand how the organization works as a single entity. The EU shouldn't make that distinction either.

Europeans argued until 2013 that designating Hezbollah as a terrorist organization would hinder their ability to work with the Lebanese Government. Today, they argue that the full designation would hinder their ability to help Syrian refugees inside Lebanon. I hear their concerns, but first I think it is worth saying that artificially distinguishing between two wings of Hezbollah sends a deeply troubling message of legitimizing Hezbollah's activity.

Second, I want to thank you for stating in your testimony that the administration has called on all governments to designate Hezbollah in its entirety, but I would like to speak to what specifically we are doing to work with our European allies on this issue and the broader issue of countering Hezbollah.

Is it your view that an EU designation would have real tangible benefits, like improved cooperation to freeze Hezbollah's assets in Europe, block illicit fundraising activities in support of Hezbollah, and help prevent the types of devastating attacks that have been a signature of their terrorist activity, all of which would ultimately be beneficial in Lebanon as well.

Mr. RATNEY. Thank you, sir.

I fully agree with you, Hezbollah is not an organization with separate wings. It is a single organization. It might undertake political activities, but it is the same organization that undertakes its terrorist activities and all of the nefarious activities that cause us and Israel and others in the international community so much concern. I fully agree with you that it is a false distinction.

We have had a little bit of progress in convincing some of our allies. Canada most recently, I believe the Arab League and a few others have started to designate Hezbollah as a single organization, as a terrorist organization. The EU, as you point out, continues to draw what we regard, you regard, as a false distinction.

To their argument that it complicates their relationship with Lebanon, we continue to have a perfectly fine relationship with Lebanon despite the fact that we designate and recognize only a

single Hezbollah as a foreign terrorist organization. Likewise, our assistance to refugees inside of Lebanon, we are probably the largest provider of assistance to refugees inside of Lebanon, and our designation of Hezbollah hasn't affected that at all.

So it continues to be part of our diplomatic engagement with the European Union, with other partners. We want them to understand how we perceive this. Tom Bossert at the White House wrote an op-ed that appeared just yesterday or the day before that addressed this issue specifically.

We, I think, all need to stop pretending that Hezbollah is something that it is not. It is a terrorist organization. It conducts activities and plans for activities that threaten us, threaten the Lebanese people, and threaten Lebanon's neighbors.

Mr. DEUTCH. Thank you, Mr. Ratney. I appreciate your strong statement and your efforts.

And just quickly, I wanted to go back to the issue of the deescalation zones and the suggestions that Russia and Syria have taken advantage of them to change the balance of power on the ground. Can you speak to the deescalation zones, whether they are working, whether they are doing what was intended? Are these allegations true? And, if so, what can be done about it?

Mr. RATNEY. Thanks for the question.

So, yeah, we have been heavily involved in negotiating and trying to implement these deescalation areas, and there are pieces of that that I am happy to talk about here and there are other elements that I prefer to talk about in closed session, with your permission.

The deescalation area in the southwest in particular is the one we have been preoccupied with over the past few months. It is one that we have worked on with the Russians and the Jordanians since earlier this summer and began with a cease-fire that started in the southwest on July 9. It was always supposed to accomplish two things.

One is to stop the violence and effectively freeze the conflict between the regime and the opposition, and in doing so, to stop those principal drivers of misery of the Syrian people, the violence that has afflicted those communities, that has driven internally displaced persons, it has driven refugee flows, it has destroyed properties and lives and families.

By freezing the conflict it helps create a condition in which normality can return to people's lives and we can create an opening and a pathway to a real political resolution. It is also supposed to do something else, which is to start to exclude Iran and its proxies from Syria.

Now, we have a view on this, and it is the same view as the Israeli Government. We don't think Iran should be in Syria at all. We don't think Hezbollah should be in Syria at all. That is our policy and that is our position. They have been a curse on Syria.

We have to start somewhere, and by beginning with deescalation of the south, beginning with elements, by stopping the violence and stopping that core conflict, and by undertaking activities, which I would be happy to discuss in a different setting, that start to chip away at this Iranian and Iranian proxy presence in those areas, we think we would make a contribution not just to the lives of the Syr-

ians, but the security of Syria's neighbors, and I mean, in particular, Israel and Jordan.

Mr. DEUTCH. I appreciate it. I would like to continue the conversation in an appropriate setting.

I appreciate it. Thank you, Madam Chairman.

Ms. ROS-LEHTINEN. I, as well. Thank you so much, Mr. Deutch. Now we turn to Mr. Cook of California.

Mr. COOK. Thank you very much, Madam Chairman.

I appreciate your candor on some of these responses. And I have to tell you, it is very, very hard for us, I think, to show or feel any empathy for Lebanon as a whole, because I think most of us feel that Hezbollah controls the country. I think they have a strong influence on the Lebanese Army. Obviously, the Iranians are supplying, through the ground route weapons, everything like that.

So I almost have the Israeli viewpoint, and that is, as was previously mentioned, the number of missiles that are in the northern flank of Israel, that a country right now that has a terrorist group that has had a history of being at war with Israel and other individuals, as well as killing 173 marines and other military personnel, I believe it was 1983, as well as kidnapping a U.S. marine observer—excuse me, a U.N. observer, by the name of Rich Higgins, torturing him, castrating him, killing him.

So there is a lot of history. And to get over that, when somebody that has military background and on the House Armed Services Committee, I think it is a most serious threat right now to Israel, because of the rockets, because of their history, and everything else.

And, of course, Israel, unfortunately, I don't want to get too military, but they are faced with Iran, they are faced with Hezbollah, they are faced with Hamas, they are faced with the Houthis, the situation in Yemen. And of course, today, I don't know if that has been confirmed about the missiles, the Scud missiles going into the Saudi Arabia.

And it is like, I just cannot close my eyes to that. And I feel that sooner or later—if anything happens on Iran, it is going to happen in Lebanon at the same time, because you have to accept a fait accompli in who runs that country.

Now, I know you already elaborated on it, and if you could just perhaps agree or disagree with me, because it is very—I understand the schools and everything, but all those schools are going to be destroyed when you have an exchange of that many missiles going into Israel. It is going to be total devastation. And I cannot see any way out of that box with that terrorist organization, having that much control.

Mr. RATNEY. So it is certainly unnerving, the picture you paint and the reality on the ground. You used the word empathy, and I guess I feel a certain amount of empathy for Lebanon. Maybe it is because I lived there at one point. Maybe it is because of very long-standing familial and cultural ties between the United States and Lebanon. There are connections between the U.S. and Lebanon that are undeniable.

But empathy doesn't address those hard-nosed questions of security that we have to grapple with. It doesn't address this question of Hezbollah's presence in Lebanon and the effect that has on the

stability of the Lebanese state and the security of Israel. And those are serious questions we need to grapple with.

And we need to grapple with the tools that we have in our tool kit. Some of that is strengthening the genuine national institutions of the Lebanese state, and the Lebanese Armed Forces, the LAF, foremost among them. This is a genuine national institution recognized by the Lebanese people across the sectarian boundaries as an institution of stability, one that the Lebanese people can be proud of, one that can represent and defend Lebanese sovereignty. That is one way.

What we did in the U.N. last month was trying to strengthen the mandate of UNIFIL. UNIFIL is an imperfect creature, but both Israel and Lebanon recognize that its presence there has a deescalatory, a calming influence on the situation on the ground.

And we fought hard, Ambassador Haley in New York fought very hard to ensure that when the mandate was renewed, it wasn't simply business as usual, that we were putting in place the ability of UNIFIL to address some of these real concerns, to monitor, in the first instance, times when UNIFIL is blocked from being able to do their job, from being able to conduct inspections. And if that happens, they are obliged now to report that back.

So this is how we are pursuing it. And, again, I would go back to a comment that I made earlier, that in an imperfect world and in an imperfect region I think it would be a mistake to simply abandon Lebanon to those forces, to Hezbollah, to those forces of evil. I think we are duty-bound to at least try to reinforce those elements of Lebanese society that can start to push back on those forces.

Mr. COOK. Well, once again, I just want to thank you very much. I am running out of time here, and I appreciate, as I said, your candor.

And I yield back.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Cook.

Mr. Boyle of Pennsylvania.

Mr. BOYLE. Thank you.

As I previewed when I was briefly speaking at the opening, I wanted to talk about the rockets or the prospect of what would be a third Israeli-Lebanese war.

Right now there are approximately 150,000 or so rockets in southern Lebanon being pointed at Israel, far more than was the case a decade ago. But it is not just quantity, it is also quality. These aren't rockets that can only reach Haifa and be fired randomly with a big variance in terms of where they would actually land. These are, of course, Iranian-funded, all of them, much more accurate missiles that can reach throughout Israel.

So given that, and given—I mentioned or previewed what a couple of Israeli generals told me. When I was in Israel 2 years ago, a few of them independently used not the word "if," but "when" there is a third war with Lebanon. Needless to say, that is deeply concerning given, as you pointed out, Mr. Ratney, just how much damage will be done due to a third war between Israel-Lebanon or Israel-Lebanon/Hezbollah.

So I was curious in your take of what you think the prospects are of a potential third war between Israel and Lebanon, how likely

or unlikely that is, and what sort of events you would look for that would bring it about.

Mr. RATNEY. Thank you.

I am a little reluctant to estimate the likelihood of it, but I will very much agree with you just how unnerving, what a daunting proposition this is. You are absolutely right. The quantity and the quality of weapons in Hezbollah's arsenal is vastly greater than it was in 2006 during the last war. And you don't even have to be in northern Israel, you can be in any part of Israel to feel that palpable sense of what it would involve if war broke out between Hezbollah and Israel.

The Israelis have the right and the ability to defend themselves, that is the first thing we would recognize. We also recognize that neither Israel, nor Lebanon, and nor Hezbollah, to my knowledge, want to get into a war.

Mr. BOYLE. All right. Well, that is—I mean, if you are not going to talk about how likely or unlikely it is, that is the point then that I want to get to, because, you know, unfortunately, in this committee with so many, just in the Middle East, so many things going on, unfortunately, Lebanon has not gotten the attention that I think it warrants.

So how much should this be on our radar screen that Hezbollah would be gearing toward this, or is it, as some people think, something they would not want, at least right now, because of all the other things they are involved with?

Mr. RATNEY. Yes. So I think despite a lot of the bluster you hear from Hezbollah leadership, and there are particularly obnoxious statements that you see from Hassan Nasrallah and others about the sort of damage that they would inflict, I think they also recognize that a war with Israel would result in unimaginable damage to Lebanon, to the Lebanese state, not just to Hezbollah, not just to their military arsenal, but much more broadly within Lebanon, including in areas far afield.

And I think they would recognize that. And I would hope that they wouldn't want to own that, because that would be the responsibility that they would bear in the event of a war.

I think, for obvious reasons, Israel doesn't want a war. There would material damage and human damage that would be—it is hard to calculate, but it would be certainly something that they would avoid at all costs. I don't think any side, neither the Lebanese Government, nor Hezbollah itself, nor the Israelis, are in any way sort of enthusiastic about those prospects.

That leaves us with, what do we do to try to avoid it. Some of that is making sure that Lebanon and Hezbollah understand the cost of such a war. And some of it is the steps that we are taking, some public, some quiet, to try to push back on Lebanon's expansion, efforts that we are taking to try to squeeze Hezbollah—I am sorry, Hezbollah's expansion—efforts that we are doing to try to squeeze Hezbollah's access to financing, to money, to moving money in the international financial system, to raising money overseas. And, of course, what I was saying earlier, steps that we are trying to strengthen genuinely national responsible institutions of the Lebanese state that can perform the functions of a government and begin to marginalize Hezbollah and push them onto the fringes.

Mr. BOYLE. Well, I only have 20 seconds or so remaining, but toward that last part, that sort of institutional building that very much segues into the important work USAID does, and why it is important that this sort of soft power of the United States is not cut at this critical time.

So, with that, I will yield back.

Ms. ROS-LEHTINEN. Good points. Thank you so much, Mr. Boyle. I am now pleased to recognize Mr. Issa of California.

Mr. ISSA. Thank you.

Mr. Secretary, the round and line of questioning included a discussion of 2006. And even though this isn't a military-oriented committee, if you don't mind giving your opinion of what you think, if this is correct.

In 2006, Israel made a decision to take out Hezbollah. They rolled heavy equipment, tanks, into south Lebanon. They bombed virtually every institution and every bridge in Lebanon, completely destroying the ability to move anywhere in Lebanon. At the end of more than 30 days, they withdraw with their casualties and essentially have not been back in.

So when I look at that, isn't it reasonable to say that at least at that time, with the defensive weapons available to Hezbollah, the Israeli Army was unable to defeat Hezbollah?

Mr. RATNEY. So that is a judgment I would rather not make.

Mr. ISSA. Well, let's go through this. Was their goal to diminish or deter Hezbollah?

Mr. RATNEY. So I—

Mr. ISSA. No, just please, because I have very little time and here is—

Mr. RATNEY. Certainly.

Mr. ISSA. I will get to my point if you would just answer a couple questions.

Mr. RATNEY. Yes, for sure.

Mr. ISSA. There were rocket attacks actually after they pulled out, weren't there?

Mr. RATNEY. Israel is going to use the tools and the means at their disposal to deter Hezbollah and to try to degrade their capacity, and they would do it again.

Mr. ISSA. Okay. So they may be willing to try what failed before.

And the reason I am getting to this, I was in both Israel, all the way to the border, literally watching tanks come back destroyed with dead crews in Israel. I was in the north, literally looking at the destruction in both Hezbollah areas perhaps, but throughout the Christian communities, including the destruction of the environment there by destroying the oil reservoirs and taking down hospitals.

I saw a war at both sides 11 years ago. And at the end of it all, Hezbollah was still there and Israel had not defeated them.

And the reason I say that is not to diminish the fact that Hezbollah is a cancer on Lebanese society and has been for my 16½ years in Congress. But if we, in fact, assume that Israel cannot—could not, at least at that time, take out Hezbollah, then it is fair to say that all the things we will do to strengthen Lebanese society and to strengthen the Lebanese Armed Forces are not effectively meant for a moment to believe that they can supplant

Hezbollah directly, but rather to begin or continue moving Lebanon away from a dependency that could cause Hezbollah to be a bigger factor in Lebanese Government and Lebanon society.

Mr. RATNEY. So for all the reasons you say and many more, that is why I don't think the Lebanese, nor the Israelis, relish the prospect of a war at this point, nor should they. And so rather than calculate or try to calculate the impact of such a war and who might prevail, better that we focus on how we avoid such a conflict.

Mr. ISSA. So back to the avoiding. Since 2006, we have continued to support the Lebanese Armed Forces and armed forces that I understand have never lost weapons. They have, in fact, been successful at least in part in keeping ISIS out of their country without U.S. military on the ground. We have provided them aid, including even missile-firing, propeller-driven aircraft, and they have used them effectively to maintain an ISIS-free Lebanon. That is the good part, right?

Mr. RATNEY. Yeah.

Mr. ISSA. Additionally, I am going to ask just one closing question, and this is in your wheelhouse, both of yours. If the Lebanese Government were to collapse because of another war or other activity, who would likely prevail, Hezbollah and the Shias, ISIS and the Sunnis, or, in fact, would we be back at a civil war? And I do want conjecture here because those are the three possibilities if a multi-confessional government were to fall?

Mr. RATNEY. So with respect, I am not going to pick one of those three, but I will tell you that the fact that those are the three options really illustrates the urgent, absolute need to ensure that it doesn't happen, that you have a viable, credible, dependable Lebanese state, one that we support, so neither of those three prospects ever come to pass.

Mr. ISSA. So, in closing, the three pillars of Lebanese society, of course, are multi-confessional democracy, a banking system—and maybe I am putting the order backwards—and a level of tolerance for refugees, including the Palestinian refugees who still are in great numbers and now over 1 million Syrian refugees.

As we look at threats to their society, if you would comment briefly on the threats to the banking community should it fall, the threats we have already talked about to multi-confessional democracy, but the last one, if we are unable to ensure that sufficient aid is provided for refugees in order to keep those quasi-camps from becoming hotbeds of terrorism.

Mr. RATNEY. You know, having visited Lebanon, the last time was about a year ago, I can tell you that that last issue, the presence of that huge number of refugees, seems to be the one that is foremost on the minds of Lebanese. And I can understand why, when you have such an enormous percentage of your country to be refugees, not just, frankly, not just Syrians, but refugees that have been there from other flows of refugees in the past.

We are appreciative of the fact that Lebanon has been willing to host them, and we are aware of the burden that it places. We try to help with some assistance, as do other donors. At the end of the day, we are dependent on Lebanon's ability and willingness to welcome all those refugees.

They are clearly keen to see them leave. One of the reasons that we have been focused on deescalation of the conflict in Syria, and I don't want to overstate the prospects for this, but one of the reasons is you start to create the conditions in which refugees can return to their home. I think initially you will start to see internally displaced persons who are still in Syria return to their homes, but eventually you start to create the conditions in which refugees feel safe enough that they can return voluntarily to where they are from.

That would be an unmitigated good, both for Syria and for Lebanon. It is something we are working very hard for. And we are going to try to continue to work with the Lebanese Government to ensure that they can bear the burden of these refugees and work with the security services to ensure that those refugee communities are not infiltrated by bad guys, including ISIS, and I know they work very hard to prevent that.

So there is an area where we can see where the U.S. can actually make a difference in helping Lebanese society maintain stability despite those challenges.

As you point out, the banking system also, kind of a pillar, a national institution, if you will, of Lebanese society, something that has been a backbone of their economy. I think maintaining the viability of the banking system is important. But also, as we then tell and advise them very forthrightly, ensuring that that banking system is not exploited by bad elements, doesn't become a haven for money laundering, the record thus far has been good. We want to ensure that that continues to be the case.

And the broader issue is a much longer conversation about maintaining confessional coexistence within a country which has been kind of riding that balance, sometimes just barely and sometimes not at all, over the course its, in fact, its entire existence.

That is where it sometimes gets tricky, and that is where sometimes even our ability—and, obviously, the situation that Lebanon is experiencing now where the good news is they have a government, the bad news is that Hezbollah is a participant in that government, it is kind of symptomatic of just those sorts of societal forces that are at play.

Mr. ISSA. Thank you.

And thank you, Madam Chair.

Ms. ROS-LEHTINEN. Thank you, Mr. Issa.

Mr. Schneider of Illinois.

Mr. SCHNEIDER. Thank you. And, again, thank you, Madam Chairman, the ranking member, for hosting or calling this hearing, and to our witnesses for being here this afternoon.

I want to associate myself with the remarks that my colleague from Florida, Mr. Deutch, made, Ms. Pryor, for the work that you and USAID do, not just in Lebanon, but around the world. And we have talked about this in this forum many times, but the need to emphasize the three pillars of not just defense, but diplomacy and development. And working to protect and pursue American interests around the globe is critical. So thank you for all that you do.

I am going to pick up the conversation where we were talking about earlier on Hezbollah. And 2½ years ago Congress passed and the President signed the Hezbollah International Financing Pre-

vention Act. And to what extent has that legislation had in affecting Hezbollah's ability to execute its strategy, achieve its goals?

Mr. RATNEY. So that piece of legislation and others that we have are among the tools in our toolbox. And one of our objectives, one of our overriding objectives is to deny Hezbollah access to financing—where they move their money, how they move their money, how they get access to funds. And that is a tool that we have. And as information in the case of this particular piece of legislation, the particular tool that we have, as we get information, as our intelligence community and Treasury and the State Department have information to act on, we will pursue those cases.

We have also pursued designations of individuals who have been involved in moving Hezbollah money, designated them under various authorities that we have to ensure that they don't have access to the financial system.

It is a challenging environment. In many cases, Hezbollah doesn't use the legitimate financial system in order to move money. So working with our partners—and that is a global problem, it is not simply a regional or a U.S. problem, it is a global problem—to look for all of the ways in which Hezbollah and groups like it are able to move money and able to raise money internationally. And that continues to be an enormous priority of ours.

Mr. SCHNEIDER. So it is not just with respect to money. It is with respect to acquiring arms. One of the things we talked about here today is the 150,000 rockets that Hezbollah has stockpiled in southern Lebanon aimed at Israel. There is also growing concern of Hezbollah developing an indigenous rocket manufacturing capacity.

Can you touch a bit on that, it is something we have introduced legislation last week to try to address that issue, but what specifically you think we should be doing?

Mr. RATNEY. So there are elements of your question that I would prefer to answer in a closed session, if I could. But clearly where you are going is an important, very important point. A principal source of most of these rockets and weapons is from one place. It is from Iran. This is the sort of mega-problem that hangs over so much of what we are doing in the Middle East, and certainly in Lebanon, and finding ways to prevent those flows of weapons is a major priority of ours. It is hard, but it is extremely important. It depends, not just the security of Lebanon, the security of Israel, and the stability of the region depend on us to find ways to push back on that.

Mr. SCHNEIDER. And that is a good lead into my third question, which I suspect will have a similar answer, that we need to have in a different location. But the deescalation zone in southwestern Syria. And real grave concern, not just militias aligned with Iran having personnel there but literally IRGC personnel on the borders with Israel, with Jordan, destabilizing that region, creating that land bridge from Tehran into Lebanon and through Syria. What steps are we taking in that? What steps should we be taking further to make sure that doesn't happen.

Mr. RATNEY. So as we have undertaken these discussions with the Russians and the Jordanians, and that has been the principal trilateral kind of group that has been discussing the deescalation

area, the Israelis have been fully knitted into that process. And as many times as I go to Amman or elsewhere to meet with the Russians and meet with the Jordanians, I am back in Jerusalem meeting with the Israelis, because their views, their concerns, and their information about what is going on is critical to our understanding of that part of Syria.

And clearly one of the reasons we entered into this is because—it is not just for the stability and security and ending the violence inside of Syria, it is to take steps that are going to address the security of Syria's neighbors, Israel and Jordan foremost among them.

So they are very much a part of these conversations. I am leaving Friday night for another trip to Israel and that is going to be the number one topic of my discussions there.

Mr. SCHNEIDER. Well, I wish you a good and successful trip.

In the few seconds I have left, Ms. Pryor, I don't want to leave you out. What more can we do to help what you are trying to accomplish to make sure, as we talked about, the security issues, and the security issues are obviously paramount, but that we are also continuing to address the, in many cases, overwhelming development issues in Lebanon?

Ms. PRYOR. Thank you.

Your continued support. Because of your support, we are doing some amazing work in Lebanon, taking the stress off some of those host communities.

You know, for example, I was in a city in which half the population is now Syrian refugees. But because of the support you have given us, we are able to help them address those challenges and find win-win projects.

So that it isn't just Syrian refugees getting help, but disadvantaged Lebanese as well, and bringing the two groups together and having them see that they really share the same problem set and that they could also find solutions together as well.

Mr. SCHNEIDER. And if I can just say in one closing second that the investments we make in these projects, as was referenced earlier, may be at risk of being destroyed in a conflict. But I think making these investments today are the best path we have to avoid those future conflicts, that hopefully they can stand for a long time.

So with that, I yield back, but I thank you very much.

Ms. ROS-LEHTINEN. Thank you very much, Mr. Schneider.

Mr. Donovan of New York.

Mr. DONOVAN. Thank you very much, Madame Chairwoman.

I am at a disadvantage. I came from another hearing, as did my friend Tom Suozzi, so you may have already touched on this. But I just wanted to ask both of you one question, kind of three parts of it.

In each of your areas of responsibility at State, at USAID, and my colleague from Illinois just touched on it a little bit, what do you find is each of your greatest challenges in the region? What are you guys doing in each of your various areas of responsibility to address those challenges? And what would you need from either the subcommittee or full committee, this entire Congress, to help you further your efforts?

Mr. RATNEY. It is a big question.

Mr. DONOVAN. That is why I only ask one.

Mr. RATNEY. So this is a big, complicated region that we are dealing with, and the parts of it that I deal with are a microcosm of that complexity. And within it, whether we are talking about our subject today of Lebanon; Syria, that I deal with extensively; Jordan; the Israeli-Palestinian file, which we are still preoccupied with, all of these are individually extraordinarily complicated questions in which we are trying to find a measure of stability to bolster our partners, bolster the cause of moderation and decency and the ability and will to fight back against extremism, whether it is Iranian or jihadi or what have you.

So that is the complexity. That is the environment we are dealing with. And the tools we have, whether they are military, whether they are development, whether they are diplomatic, are all critical. And finding the way to knit that all together is our biggest challenge right now, to assure that all of those tools work in concert.

It is what we have been trying to do in Syria after a 6- or 7-year war that has left so many people dead, and we are trying to end the conflict in a decent way, a decent way for the Syrian people. And we have certain tools at our disposal, some military, some assistance, some diplomatic.

Likewise on the file, the Lebanon file that we are talking about today, that is the challenge, is making sure we are coordinated and knitted up. And I felt, I will tell you my own personal experience, that we have had a considerable degree of support from Congress in doing that.

Ms. PRYOR. Thank you.

We have talked a lot about the refugee crisis already, but there is another challenge that Lebanon faces that I am equally concerned about, in the impact of the Syrian war on Lebanon's economy.

Lebanese farmers have been particularly impacted because they have lost the land routes to their traditional markets for their produce. So we have been working with these farmers to improve the quality of their products, pursue more cost-effective techniques, and help them locate alternative markets. But the impact—

Mr. DONOVAN. You said they lost their routes. Is that because of terrorism? Is that because—

Ms. PRYOR. The closure of the border with Syria.

Mr. DONOVAN. I see.

Ms. PRYOR. And I have seen it devastated rural communities. But with very small targeted investments we have been able to see some of these communities come back to life. So, again, I would just say your continued support is what is most helpful. Thank you.

Mr. DONOVAN. Thank you both for your service.

Ms. ROS-LEHTINEN. Thank you so much for that question. Thank you.

And, Mr. Suozzi, I am just so happy that I finally learned how to say your name that I am just going to say it a lot.

Mr. Suozzi.

Mr. SUOZZI. Thank you, Madam Chairwoman.

So does UNIFIL recognize the existence of the rockets on the southern border of Lebanon aimed at Israel?

Mr. RATNEY. Sir, do they recognize the existence of them?

Mr. SUOZZI. Yes.

Mr. RATNEY. They are certainly aware of them.

Mr. SUOZZI. Have they confirmed it? I mean, do they confirm it exists? And have they documented it?

Mr. RATNEY. I don't know if they actually undertake to document those sorts of precise numbers. I don't know if that is within their mandate. But certainly—

Mr. SUOZZI. Do they take actions to address it?

Mr. RATNEY. I mean, their very presence—they are not peace-keeping force in the sense of undertaking those sorts of active measures to confiscate weapons, if that is what your question is.

Mr. SUOZZI. Well, what role could UNIFIL play in helping to identify and locate and, if necessary, eradicate those missiles?

Mr. RATNEY. Yeah, so the role of UNIFIL is a modest one, we will acknowledge that, first and foremost. It is one, however, that both the Israelis and the Lebanese regard as useful. Their mere presence there has the effect of lowering tensions.

What we have tried to do with renewal of their mandate just last month is to strengthen it. They can't just be a force that has people on the ground wandering around. They have to be actively out there inspecting. They have to be actively out there reporting back to the U.N. if there are instances where their efforts to inspect are blocked. And they have to be setting the stage in which the Lebanese Armed Forces ultimately can take up that role themselves of policing and monitoring their southern border.

So that is the ultimate objective, and it is a slow process of working with UNIFIL to try to ensure that they take a more active role.

Mr. SUOZZI. Is there any indication that the Lebanese Armed Forces have taken on that role of trying to identify and eliminate those rockets?

Mr. RATNEY. So they have started to take on the role of redeploying to the south, and that is an important step. And the more their capacity builds and the more we are able to build that capacity and build that credibility and, in the process, reduce the influence and the pervasiveness of Hezbollah, we would hope that their ability to do that would grow.

Mr. SUOZZI. So the ultimate objective is to try and eliminate those missiles from existing in that location. What role can we ask UNIFIL to play to try and help us to accomplish that objective?

Mr. RATNEY. To continue monitoring what they see and to continue reporting what they see and to continue telling us if there are instances in which their efforts to monitor the situation are obstructed.

Mr. SUOZZI. And do you see that—I apologize again—do you see that that has been done? Have there been—is there a document that says we have identified these missiles and these locations? I mean, most of our information comes from intelligence sources as opposed to UNIFIL.

Mr. RATNEY. Right.

Mr. SUOZZI. So wouldn't it make sense that UNIFIL would say we have this document that says we think these rockets exist in these locations and, you know, we think that somebody should do something about that?

Mr. RATNEY. Yeah, it is a fair point. And what I can try to do is round up for you the sorts of reports that UNIFIL files with the United Nations.

Mr. SUOZZI. About particular locations?

Mr. RATNEY. Yeah. I don't know exactly the level of detail that they go into in their reporting back to U.N. headquarters, but I could certainly endeavor to find out.

Mr. SUOZZI. Would it be reasonable to try and request UNIFIL to do something like that, to take on a more detailed role and giving us more detailed information about the existence of these rockets?

Mr. RATNEY. So we are trying to take this step by step. We are trying to get to the point where they are taking a much more active role of monitoring and inspection and a much more active role in reporting on which of those efforts have been blocked. And so this is a gradual process. I think it was a small but important step when we incorporated those measures into the mandate renewal last month. We have to continue working with them.

We made clear when that mandate was renewed that business as usual, the approach of UNIFIL in the past, can't continue. We need something that is more active.

Mr. SUOZZI. So would it help your efforts if the Congress was to take some sort of role to make that formal request of UNIFIL to provide specific documentation of the detailed location of these rockets?

Mr. RATNEY. So can I take that question back and think about that and give you a considered answer?

Mr. SUOZZI. Yes, you can.

[The information referred to follows:]

WRITTEN RESPONSES RECEIVED FROM MR. MICHAEL RATNEY TO QUESTIONS ASKED DURING THE HEARING BY THE HONORABLE THOMAS R. SUOZZI

- UNIFIL coordinates closely with the Lebanese Armed Forces to implement UN Security Council Resolution 1701 (2006), including working towards establishing an area free of any armed personnel, assets and weapons other than those of the Government of Lebanon or UNIFIL.
- UNIFIL regularly conducts patrols intended to deter destabilizing activity, including rocket launches. UNIFIL deployment is meant to help Lebanon and Israel move towards a permanent ceasefire and a long-term solution—one that includes the complete disarmament of all militias in Lebanon, including Hizballah.
- During the August 2017 UN Security Council negotiations to renew UNIFIL's mandate, the United States pushed for a strengthened resolution (2372) requesting the Secretary-General find ways for UNIFIL to step up its patrols and inspections, in its area of responsibility, with the intention of helping disrupt Hizballah's activities. The resolution also calls for precise timelines and benchmarks for UNIFIL to help build up the Lebanese Armed Forces's capacity, with the goal of transitioning UNIFIL's duties in southern Lebanon to the Lebanese Armed Forces.
- Reports on the implementation of UNSCR 1701 are publicly available on the UN's website. Incidents cited in these reports include Blue Line violations by individuals in civilian clothing, instances when UNIFIL's movements are deliberately impeded, and civilians seen carrying unauthorized weapons. The Department of State is following up closely on the implementation of this resolution via the U.S. Mission to the United Nations. A more visible UNIFIL presence is meant to address concerns about illegal weapons in southern Lebanon.

Mr. RATNEY. Thank you.

Mr. SUOZZI. Thank you very much.

I yield, Madam Chairwoman.

Ms. ROS-LEHTINEN. Thank you so much.

And, Mr. Ratney and Ms. Pryor, our subcommittee looks forward to working with you in evolving U.S. policy toward Lebanon. Very interested in the upcoming elections. And we look forward to hearing from you in a classified setting to know the efforts that we are undertaking to seek the liberation of United States permanent resident Nizar Zakka, who is always in our minds. Thank you so much.

And with that, our subcommittee is adjourned. Thank you.

[Whereupon, at 3:19 p.m., the subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE RECORD

**SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128**

**Subcommittee on the Middle East and North Africa
Heena Ros-Lehtinen (R-FL), Chairman**

October 4, 2017

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on the Middle East and North Africa in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

DATE: Wednesday, October 11, 2017

TIME: 2:00 p.m.

SUBJECT: U.S. Policy Toward Lebanon

WITNESSES: Mr. Michael Ratney
Deputy Assistant Secretary
Bureau of Near Eastern Affairs
U.S. Department of State

Ms. Jeanne Pryor
Acting Deputy Assistant Administrator
Bureau for the Middle East
U.S. Agency for International Development

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.



COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON Middle East and North Africa HEARING

Day Wednesday Date 10/11/17 Room 2172

Starting Time 2:07 PM Ending Time 3:19 PM

Recesses (to) (to) (to) (to) (to) (to)

Presiding Member(s)

Chairman Ros-Lehtinen

Check all of the following that apply:

Open Session

Executive (closed) Session

Televised

Electronically Recorded (taped)

Stenographic Record

TITLE OF HEARING:

U.S. Policy Toward Lebanon

SUBCOMMITTEE MEMBERS PRESENT:

*GOP- Chairman Ros-Lehtinen, Reps. Issa, Cook, DeSantis, Donovan, Zeldin, Fitzpatrick
Dem- Ranking Member Deutch, Reps. Boyle, Schneider, Suozzi, Lieu*

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an * if they are not members of full committee.)

HEARING WITNESSES: Same as meeting notice attached? Yes No

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

Questions for the record for Deputy Assistant Secretary Ratney from Chairman Ros-Lehtinen

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 3:18 PM

Antoinette Demachis
Subcommittee Staff Associate

Questions for the Record Submitted to
Deputy Assistant Secretary of State Michael Ratney by
Chairman Ileana Ros-Lehtinen (#1 to #5)
House Foreign Affairs Committee
Subcommittee on the Middle East and North Africa
October 11, 2017

Question 1:

With “signals of higher levels of communication between the LAF and Hezbollah” starting to “cause [the State Department] concern,” can you describe the specific actions and objectives that the U.S. is seeking from the LAF? Has LAF leadership explicitly and publicly rejected Hezbollah’s ideology? What has the U.S. asked the LAF to do to counter Hezbollah and Iran’s influence in Lebanon and is there any timeframe for the completion of this objective?

Answer 1:

The Department’s goal is to support a stable, functioning Lebanese state with strong institutions. This is only possible when the Lebanese Armed Forces (LAF) are the only legitimate defender of Lebanon’s sovereignty, security, and stability. Our policy seeks to increase the LAF’s military capability, thus enabling it to continue serving these functions, while undermining Hezbollah’s self-proclaimed image as a security guarantor of Lebanon.

The LAF is not in a position to confront Hezbollah directly. However, the LAF helps degrade Hezbollah’s influence by defending Lebanon and its citizens against external aggression and maintaining internal stability and security within Lebanon’s borders. Recently, the LAF deployed a brigade to southern Lebanon, directly countering Hezbollah’s influence and narrative in its traditional stronghold through this action. Similarly, the LAF has also moved to replace Hezbollah defensive positions on Lebanon’s eastern border. U.S. security assistance has facilitated the dramatic improvement of the LAF’s capabilities, leading to battlefield successes against ISIS and other extremist groups. A broad spectrum of Lebanese politicians and the public have applauded the LAF for these accomplishments, a rare show of national unity and support for a Lebanese government institution that is Lebanon’s sole legitimate security provider.

The LAF has also taken a number of measures to distance itself from Hezbollah and President Michel Aoun’s public statements in support of Hezbollah. In mid-April, Hezbollah organized a tour for Lebanese and foreign journalists along the southern Lebanese border in the company of armed Hezbollah fighters. A day later, LAF Commander General Joseph Awn accompanied Prime Minister Saad Hariri on a trip to Hezbollah’s heartland in southern Lebanon. Their visit’s reported intent was to communicate that the government of Lebanon is the sole sovereign power in southern Lebanon. More recently, the LAF also made numerous public statements following the successful conclusion of its anti-ISIS operations in Ras Baalbek in late August, explaining its operations were conducted independently, countering media reports that the LAF had coordinated with Hezbollah.

Question 2:

Syrian refugees in Lebanon are only allowed to work in certain sectors after obtaining residency permits, and because these permits can be expensive and hard to obtain, very few applied. In February, the government lifted the residency fee for refugees registered with the United Nations High Commissioner for Refugees (UNHCR). What changes in the refugee population's employment numbers have you seen since February? What other employment challenges do they face? How have refugees not registered with UNHCR been impacted?

Answer 2:

The Lebanese government's decision in February to lift the residency fee for registered Syrian refugees was an important step forward, but its impact to date has been limited. On a recent survey, only 19 percent of refugee households reported all members held legal residency permits. This is likely because, in spite of the policy change, many registered refugees are still being asked to pay fees or find sponsors to renew their residency, and the waiver does not apply to large groups of Syrian refugees. For example, refugees not registered with UNHCR must continue to find a sponsor in order to renew their residency, and to pay the renewal fees.

Nonetheless, Syrian refugees in Lebanon continue to work informally. On a 2017 survey, 56 percent of Syrian refugee men and 8 percent of women reported having worked in the past month. Employment challenges for Syrian refugees include a lack of work opportunities, exploitation and underpayment by employers, inability to work outside the home due to care-taking responsibilities and for women, cultural norms. Competition between Syrian refugees and Lebanese for low-skilled jobs has also emerged as a key driver of intercommunity tensions.

Question 3:

Lebanon's parliament ratified a new electoral law on June 16, which will shift the legislature to proportional representation in elections scheduled for the spring of 2018. Some critics argue that the new law will reinforce sectarian divisions. How do you see the law impacting Lebanese politics? Will rival parties come together or will there be more polarization? What role did the U.S. play in the law's development?

Answer 3:

Lebanon alone is responsible for developing its electoral laws and processes. The United States was not involved in the adoption of Lebanon's new electoral law. Since the proportionality element of the new law has never governed previous elections, it is too early to predict how the new electoral law will affect upcoming parliamentary elections. Future alliances will be a key factor in determining winners and losers and its impact on Lebanese politics.

Question 4:

With Lebanon's parliamentary elections scheduled for in May 2018 and the influence of Hezbollah continuing to increase, many observers are concerned that Hezbollah-aligned parties could push aside moderate parties that won the last election. What is the U.S. doing to support the 2018 elections process? How much has Embassy Beirut spent in the last few months to support the elections process and how much does it plan to spend as the elections approach?

Answer 4:

The United States supports Lebanon's democratic processes and institutions through assistance and programs that further national and regional stability. In FY 2016, approximately \$18.65 million in U.S. assistance bolstered both Lebanese state institutions and civil society organizations to promote electoral participation, develop policy agendas, and foster dialogue among citizens, parties, and constituents. The U.S. Department of State and USAID will continue to support democracy, governance, and rule of law programming in Lebanon with FY 2017 funds.

Question 5:

UN Ambassador Nikki Haley sought improvements to UNIFIL's mandate before it was renewed last month, and ultimately, was able to secure what she called "big steps forward." Beyond the changes that were made, what other improvements to UNIFIL's mandate would the State Department like to see? How do you explain the resistance of other Security Council members to these changes?

Answer 5:

As Ambassador Haley has said, UNIFIL has a difficult mandate, and it operates in a difficult part of the world. Our goal is to make sure that UNIFIL is doing its job to the fullest extent possible, in line with the mission's robust mandate. UN Security Council Resolution 1701 (2006) already gives UNIFIL broad authority to support the extension of Lebanese state authority and ensure that its area of operations is not used for hostile activity. Rather than changing this mandate, we want UNIFIL to be more proactive in exercising its responsibilities. Specifically, we have asked that UNIFIL increase its patrols across southern Lebanon and adjust its operational activities to expand the mission's visible presence on the ground. Along these lines, we would also like UNIFIL to expand observation posts and checkpoints, and we have asked that UNIFIL report more thoroughly on any obstacles it confronts—in particular, to make sure the Security Council is informed if UNIFIL is unable to patrol certain areas where hostile activity could take place. UN Security Council Resolution 2373 (2017), adopted unanimously in August, contained new language calling for these changes. While the negotiation was challenging, all Council members ultimately came together in support of the resolution. We expect that Council members will join us in ensuring that UNIFIL now fully implements the terms of this resolution.