

Economic warfare set to partition Lebanon

by Thierry Lalevée

What eight years of war did not achieve, the last few months of relative peace are close to accomplishing. Lebanon's government is close to bankruptcy, and the economy is at a standstill. A political decision has been made to use financial and economic warfare to partition the country.

The same local and international financial groups which, during the last eight years, financed "right" and "left," "Christian" and "Muslim" militias, are today combining to deprive the central government of the economic means to unify the nation and re-establish peace. No one will be surprised to find that Damascus, which now has at its disposal millions of dollars coming from the illegal production and sale of hashish and opium in the Bekaa valley, is one such force. However, the local militias, which have received enormous financial benefits from the government's loss of power, have joined the conspiracy.

At the root of the present crisis is the rapid fall of the Lebanese pound to 9 to the dollar. Even during Lebanon's darkest hours, it had been maintained at a rate of 3 to 4. Now, the psychological threshold of 10 may soon be reached, a situation which will not only bankrupt the central bank, but also those traders investing in the potential reconstruction of the country who need more and more imports. The prime winners will be the drug-lobby and the black-marketeers who have no desire to see their powers taken over by the government.

It is suspected that many within the government are on the inside of the conspiracy, beginning with Camille Chamoun who plays an unfortunate leading role in the finances of the country today. Chamoun, who played a key role in engineering the outbreak of civil war in 1975, works with a consortium of international banks, reaching into Europe and the East bloc through the Byblos Bank, as well as into the Caribbean around Banco del Caribe, whose main activity is the laundering of drug-money. As many Lebanese political leaders know, it is the same Chamoun who has conspired for years with Israel's Ariel Sharon for a partition of the country.

With such insiders, the Syrians have been able to mount an international operation against the Lebanese pound. Ac-

ording to the French daily *Le Matin* of Oct. 27, a group of three well-known (but unnamed) Lebanese money exchangers have taken it upon themselves to buy large amounts of unexchangeable Syrian pounds, to convert them into Lebanese pounds which are then dumped in Switzerland, converted into dollars, and shipped back to Damascus via Beirut where they are used to speculate against the Lebanese pound.

Indicating the level of the conspiracy was the Oct. 4 announcement by the government that its attempt to mobilize international support for its currency was simply foiled through systematic failure of the telex and telecommunications systems. Lebanese communications officials told general prosecutor Camille Geagea who investigated the crisis that it was a "power failure." However, on Oct. 26, the Lebanese government announced that all internal and external communications were in the hands of the Shi'ite militias of the Al Amal group, who turned communications on and off at will, as a means of pressuring the government into more political compromises.

Backing such financial warfare has been the takeover by the local militias and feudal lords of most of Lebanon's foreign trade. For example, Beirut airport is in the hands of several Muslim militias who share among themselves the customs taxes on imports and exports.

Similarly, as the government met in emergency session on Oct. 20 to review the situation, it became clear that most trade was going through illegal ports built by the same militias over recent months, competing between each other to offer the lowest customs duties on imports. Tripoli's harbor is in the hands of the Syrians and Shi'ite militias. Camille Chamoun, a minister, owns his own illegal port between Beirut and Junieh at Dbaye. The Falangist party controls the largest part of Beirut harbor, while to the south, new ports have been built by the Druze as their own outlet to the sea to make a "Druze entity" self-sufficient.

Overall, Amin Gemeyal's central government controls less than 15% of the country's foreign trade!

With private militias and foreign powers like Syria controlling the nation's trade and currency, the government is now unable to raise the taxes necessary to maintain the vital functions of the state, much less prepare a comprehensive plan for reconstruction of the country. The danger is very real that, having spent all its reserves defending the value of the pound, Beirut will be unable to even pay its army, which, however small, is vital to demonstrate a national existence above private armies.

If this happens, Lebanon will not only be partitioned; it will become one of the most important havens for drug-traffickers worldwide. While the economists moan about the collapse of Lebanese exports being "a major factor contributing to the fall of the pound," they seem to overlook that not all exports are falling. On Oct. 29, French customs officers in Marseilles seized no less than 10 tons of hashish from Lebanon.