

Economy, Elections and the Resounding Boomerang Effect for Nasrallah: The Impact of the Israel-Lebanon Maritime Border Agreement

Avi Kalo
October 2022

About the ICT

The International Institute for Counter-Terrorism (ICT) is one of the leading academic institutes for counter-terrorism in the world. Using a multidisciplinary approach, the ICT works to facilitate international cooperation in the global struggle against terrorism.

As an independent think-do-tank, the ICT focuses on themes related to terrorism, counter-terrorism, homeland security, threat vulnerability, risk assessment, intelligence analysis, national security, and defense policy.

Serving as a joint forum for international policymakers and scholars, the ICT draws upon the experiences of a comprehensive and international network of individuals and organizations with unique expertise on terrorism and counter-terrorism research, public policy analysis and education.

In addition to publishing research papers, situation reports and academic publications for worldwide distribution, the ICT hosts a number of international seminars, workshops and conferences to discuss and educate followers on global and regional issues of security, defense, and public policy in order to better facilitate the exchange of perspectives, information and proposals for policy action.

Licensing & Distribution

ICT publications are published in an open-access format and are distributed under the terms of the Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International Public License, which permits the non-commercial re-use, distribution, and reproduction in any medium, provided the original work is properly cited, and is not altered, transformed, or built upon in any way.

Economy, Elections and Resounding Boomerang Effect for Nasrallah: The Impact of the Israel-Lebanon Maritime border Agreement

Avi Kalo

ABSTRACT

The Israeli-Lebanese maritime boundary agreement, sponsored and mediated by the US to resolve the longstanding conflict over the maritime border between the countries and the division of energy reserves, is a significant regional and international multidimensional achievement for the State of Israel. From a broad perspective, the agreement deepens the regional settlement concept and in this sense is a continuation of a series of regional agreements signed in recent years, chief among them the Abraham Accords. These, too, are proving once again that the ability to balance soft power capabilities with military might is the steer way of fortifying Israel's regional and international standing in a turbulent and shaky Middle East, especially in light of challenges of the day, Iran.

On the eve of the historic signing of the agreement, the article sheds light on the many advantages inherent in the process in the strategic, political, military, legal and economic spheres.

Keywords: Israel, Lebanon, Negotiation, Hezbollah

Received: 24 October 2022 ■ Accepted: 26 October 2022.

The morning of October 14th, 2022 was not the best of mornings for Hassan Nasrallah, Hezbollah's general secretary, even if he wanted to convey an air of business as usual. Indeed, the announcement of the Lebanese president Michel Aoun on the heels of the American mediator Amos Hochstein's assertion regarding the finalized historical understandings between Israel and Lebanon on the maritime border and the economic water (legally, named as "Agreement on Maritime Delimitation"), didn't catch Nasrallah by surprise, but greatly embarrassed him and drove another nail into Hezbollah's coffin of illegitimacy and curbed activity in Lebanon as well as the regional and global theaters, all to the Iranian disapproval and displeasure. That said, per Nasrallah, he preserved the deterrence balance vis-a-vis Israel by forcing the latter to speed the negotiation with Lebanon due to his threat to attack Karish reservoir if the drilling would start prior to the

agreed settlement for maritime boundary dispute between the countries.

It is safe to assume that in light of the above agreement Nasrallah has been asking himself where he went wrong? Has he underestimated the parties' ability to arrive at an agreement? Has he underestimated the effect the agreement would have on the internal Lebanese politics? Has he reached a crossroad that would prove to be negative for him? whatever his answer may be he probably longingly looks to the days when he was an almighty ruler in the Lebanese theater whose word was the final one, especially when Israel was concerned, like the in the negotiations on the Shaba Farms area and POW and MIA issues, or when he set the tone along the "Blue line" after the Israeli withdrawal in May 2000 or when he tried to deter Israel by trying to retaliate for the death of a Hezbollah operative in an Israeli strike in Syria and even the days when he ridiculed UNIFIL forces in southern Lebanon while continuing to arm himself with tens of thousands of rockets for all ranges to be used when the time was right.

Be that as it may, the above agreement unprecedentedly embarrasses Hezbollah which is manifested by a public and inarticulate attempt to minimize the importance of the agreement and its terms ("the agreement has no meaning...in any event all the gas reservoirs in Palestine will day be ours"..."we are still studying the issue"...), but also taking credit for the agreement and "blessing" it (which only shows how deterred he is by Israel). This embarrassment is not confined to the Lebanese arena but spills over to Iran and the rest of the Axis in terms of raising questions regarding Hezbollah's capability to set up new friction mediums given Hezbollah's constraints in the Lebanese and Syrian arenas.

On the other side of the border, the announcement on the agreement signifies a real achievement for the Israeli PM Lapid and Israel's defense establishment, despite the inevitable political linkage of executing the agreement on the eve of general elections and the futile efforts by the agreement's detractors – purely out of political interest – to irresponsibly minimize the agreement while augmenting Hezbollah's role in the process, at times even at the expense of national security. It should be noted, Israel's defense establishment stressed that executing the agreement was very time sensitive because president Aoun is about to retire from office, and it would be impossible to assess if and when a new opportunity for such a meaningful agreement will arise.

The importance of the understandings on the economic water and the energy reservoirs cannot be stressed enough since they affect multiple aspects on the political-military level as well as the regional and global levels:

First, the agreement annuls any immediate *casus belli* Hezbollah might have drummed up arguing that Israel took over Lebanese gas reservoirs which was manifested by

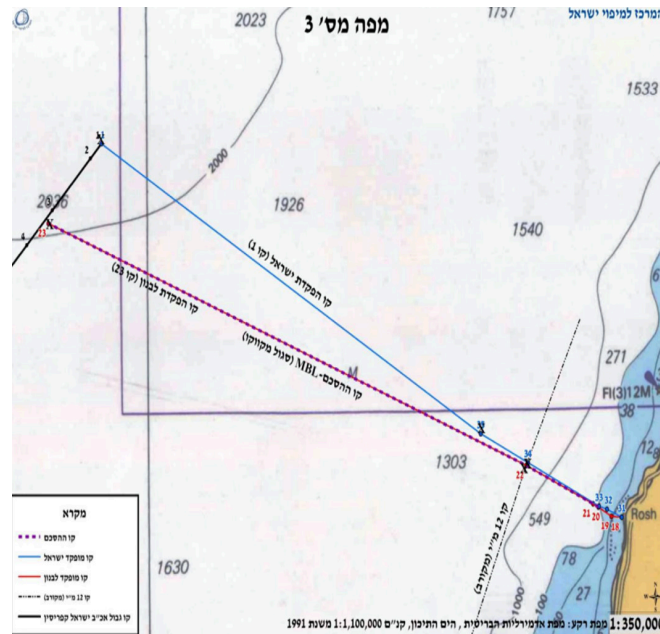
launching UAVs at the Karish rig and by Nasrallah litigious statements of this being a harbinger of what would happen if Israel wouldn't heed his warnings. Obviously, the prevention of a war has a paramount dramatic value well worth the price of the compromise (miniscule in terms of the Israeli energy market), even if the Kana-Sidon field will generate gas which is theoretical at this point.

Second, the agreement cements for the first time "the buoy line" and the Israeli Navy's operational deployment in Israel's northern borders. The agreement states that as long as no formal border under a peace accord has been set between Israel and Lebanon the buoy line running from Nakura into the Mediterranean will be preserved and regarded as the status quo and the de facto borders between Israel and Lebanon. The above is a significant achievement that contractually cements the Israeli Navy's freedom of operations in this region and reduced the friction potential between Israel and Lebanon, at least on the maritime side. Indirectly this also affects Hezbollah and its Iranian patrons and ties their hands at least in terms of this region. Either way, on one can argue that the above constitutes a waiver on Israeli territories.

Third, the agreement significantly curbs Hezbollah's freedom of operations while strengthening the Lebanese state institutions, as weak as they may be. De facto, loses an important card in its "defender of Lebanon" platform which it has been marketing for decades, with partial success, and in this manner pulls the rug from under another of Hezbollah's operational spaces, much like the processes regarding the "blue line" in the western sector of the border and Shaba Farms in the eastern sector. Simultaneously, the agreement strengthens the Lebanese state institutions in an era of deep economic and social chaos and proves the Lebanese public that one can gain significant achievement without Iran and Hezbollah. Further, the fact the president Aoun mentioned Israel by its name constitutes another manifestation of spectrum of opinions regarding ways out of the severe crisis it is has been experiencing. The practical aspect of the agreement also has an internal Lebanese ramification, given the fact that the American supervision guarantees that the business parties to the agreement (e.g., the French energy OEM Total) must comply with the strictest sanctions regime in a manner that will ensure that no funds would end up in Axis members' hands or out of the Lebanese government hands. The above will supply another tool to reinforce the legitimacy of the Lebanese government in the eyes of the Lebanese public, crucial under the current economic and social chaos in the country.

Fourth, in terms of the international law, the agreement historically deepens the arrangement concept vis-a-vis Lebanon and further minimizes the conflict between Lebanon and Israel. Excluding the above agreement Israel has two fundamental agreements with Lebanon, the 1949 Rhodes Cease Fire agreements and unexecuted peace agreement from 1983 as well as a series of international arrangements such UNSC

Resolution 1701 regarding the deployment of UNIFIL troops in southern Lebanon, the tri-lateral mechanism (Israel-UN-Lebanon) to minimize friction at the border and the “blue line” arrangements. The economic water agreement supplies another historical level to the above and the fact that Lebanon doesn’t recognize Israel doesn’t mitigate the agreement’s value, as is the argument in some circles. If anything, the agreement



Map of proposed boundaries

cements the Lebanese commitment towards Israel and reinforces tacit components of recognition that can reinforce security stability in the theater and further minimize potential frictions between Israel and Lebanon, in a manner that, as previously mentioned, further constrains Hezbollah’s freedom of operation, already challenged, by the resolution of the marine border dispute. The above carries even more legal weight given the fact that the parties agreed to deposit the agreement with the UN, which under the UN charter grants it a status of an international agreement for all intents and purposes, including regarding the American guarantee and brokerage mechanisms.

On a bigger picture level in a reality when Israel is spread thin, militarily, intelligence, operatively, among multiple theaters (from Hamas in the south, through Iran in the third circle, marine theater to cyberspace) there is a great Israeli interest in limiting as much as possible the of any of the above theaters such the one handled in the agreement, especially given the budgetary constraints of Israel’s defense budget, and important R&D projects that require resource allocation that given the above constrains will have to come at the expense of ongoing security.

Fifth, the agreement provides Israel with an energetic freedom of operations – without drilling down into the terms of the agreement regarding the split of the gas resources between the parties under the agreement (which in and of themselves are negligible

in terms of the Israeli gas inventory – current and potential) it seems that the Israeli compromise regarding a yet to be proven gas reservoir, is well considered in that it anchors the agreement on the one hand and enables Israel freedom of operation to exploit its Karish maritime reservoir (by London listed Energean) within the immediate time frame. Per the professional experts within Israel's Ministry of Defense and Ministry of Energy, the compromise (i.e., from line 1 to line 23) is negligible, devoid of economic value and carries no defense detriment to Israel. Moreover, per the Ministry of Energy, Israel's gas reserves can meet the market demands for the next 25 years and even more, until the complete switch to green energy.

Sixth, the agreement promotes an American interest of regional and energetic stability – one of the major catalysts for the agreement was the shift in the global energy map in light of the war in Ukraine that requires alternative energy sources to replace the Russian ones, either in Europe or the Middle East. The Biden administration views the agreement as another crucial piece in a post war global energy puzzle that excludes Russia who was the global leader in this market until the war. Indeed, the administration is amid an intensifying conflict with Saudi Arabia on the OPEC organization, but by the above agreement provides for the US a major component in deepening the regional cooperation on energy and bridging global shortages due to the sanctions on the Russian energy market. In this regard both Israel and Aoun's government proved to be a valuable asset and will be rewarded for that within the short and medium terms.

Bottom line, the above agreement is a groundbreaking and meaningful one that helps cement Israel's security stability in the northern theater and reinforces (albeit in a limited manner) the Lebanese state institutions at the expense of Hezbollah and Iran. The timing of the agreement is critical and the Israeli decision to execute it is well considered given the political-governmental situation in Lebanon and the realization that the window of opportunity is narrow and may close prior to the general elections in Israel while there is uncertainty when it will reopen.

Thus, In my opinion, the Israeli compromise regarding the Kana-Sidon is negligible considering the tremendous benefits of the agreement, first and foremost the prevention of a friction and potentially a war by removing a casus belli for Hezbollah, cementing Israel's marine line of defense, curbing Hezbollah's freedom of operations and promoting basic and growing Israeli and American energy interests in the Middle East under the shadow of the war in Ukraine and the background of cementing and guaranteeing the economic benefits from Karish maritime reservoir while denying any excuse for escalation by the Axis members.

On a broader perspective, the agreement constitutes another link in a chain of regional agreements first and foremost the Abraham Accords in a manner that in terms of

Israel lays an optimistic foundation for additional positive changes in the region which on the one hand may burden the Iran-Syria-Hezbollah axis with further constraints, whose effect amplifies in an era where the economic reality in Lebanon is brittle and fragile in such a way that above axis members cannot alleviate and on the other hand the continued Israeli trend to form regional strategic alliances grounded on economic agreement.

At the end of the day, even in the Middle East the White House originated adage per which “every crisis is an opportunity” is correct. Israel can and should use conflict regions to cement regional and global arrays as a central tool to deepen the regulation of the region and as an optimal manifestation of the required combination between “hard” and “soft” might.