Assessing the Lebanese crisis and its consequences

On Tuesday, August 18, Baker Institute Director Ambassador Edward Djerejian delivered a special webinar on the situation in Lebanon, sponsored by the institute’s Center for the Middle East. The tragic explosion of ammonium nitrate in the port of Beirut on August 4 left hundreds dead and thousands more injured, striking the heart of a country already saddled with deep-seated structural challenges. Djerejian, whose first diplomatic posting was as a young political officer in Beirut in the 1960s, outlined both the disastrous conditions in Lebanon as well as the broader historical context of Lebanese society and governance.

“The future of Lebanon and the region is at stake. What happens in Lebanon is not going to stay only in Lebanon,” stated Djerejian, arguing that the instability following the Beirut explosion has implications for the broader Middle East. He explained how Lebanon’s rich legacy as a diverse, multi-confessional society has been tarnished by systemic corruption and conflict, with the explosion only serving as the latest example of government incompetence. Detailing the widespread protests by Lebanese citizens against Lebanon’s ruling political class, he cautioned that to succeed in achieving structural political and socio-economic reforms the “protesters need to articulate a coherent political platform and ... identify leaders and establish political parties.” Only then can they gain momentum and avoid the failures of other national protest movements following the 2011 Arab Uprisings. In a Q&A session moderated by Colton Cox, policy assistant to the Director, Djerejian spoke on a range of other pertinent themes, including how Lebanon has dealt with foreign involvement in its affairs, refugee issues and tensions with the powerful Iran-backed Hezbollah.

The Ambassador underscored that the key question facing Lebanon is whether it can “redefine its multi-confessional character ... into a viable nation-state where the people identify with the nation and not primarily with their confessional base.” This shoring up of a Lebanese national identity should be the fundamental objective of domestic and international policymakers, he stressed. He also noted that the Center for the Middle East will be initiating a program on Lebanon to study this crucial issue more deeply. To learn more, watch the full presentation on the event page.
Three years after Hurricane Harvey struck Houston, “Support for a wide range of policies designed to reduce the negative impact of flooding remains extraordinarily high, and some of the work has already begun.”

Mark P. Jones, Fellow in Political Science, in an op-ed for the Houston Chronicle

Global impact of Chinese oil demand slowdown

From the Saudi-Russia price war to the sharp drop in oil demand following the Covid-19 shutdowns, global oil markets have experienced immense pressure and uncertainty in the past year. Looking further out, there is yet another pending risk factor that could affect global oil prices: the potential of a sustained slowdown in China's oil demand growth. In a recent issue brief, Gabriel Collins, the Baker Botts Fellow in Energy and Environmental Regulatory Affairs, considers several factors that might lead to such a decline, including China's aging population and the expansion of household debt in China.

According to Collins, China has recently shifted to an economic model that more heavily emphasizes domestic consumption and relies on the economic activity of its hundreds of millions of middle-class citizens. However, the growing levels of debt among this segment of the population could affect their ability to spend and contribute to economic growth. This, coupled with the fact that China's above-65 population is rapidly growing, could have major economic consequences, writes Collins. These factors portend a coming slowdown in China's oil demand, which would profoundly affect the multitrillion-dollar global oil market, as well as many related industries. Collins warns that a long-term decline in China's economic growth could cause serious pain and dislocation in key U.S. oil- and gas-producing states, Texas foremost among them. To learn more, read the full issue brief here.
Upcoming Events

Webinar — A conversation on ratifying and implementing the USMCA: A view from Congress. Join the Honorable Kevin Brady, U.S. representative for the 8th congressional district of Texas, and the Honorable Don Beyer, U.S. representative for the 8th congressional district of Virginia, as they discuss the context in which the United States-Mexico-Canada Agreement (USMCA) — the most important U.S. trade agreement in a quarter century — became a reality. September 2 | 11:00 am

Webinar: Diversity in science and engineering. Shirley Malcom, director of Education and Human Resources at the American Association for the Advancement of Science, and Richard Tapia, professor of computational and applied mathematics at Rice University, consider ways to make the STEM fields more inclusive and diverse. September 9 | Noon

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