



Austrian National Defence Academy
Vienna



LIBYA'S UNITY GOVERNMENT – A NEW HOPE?

Basma Salama and Walter Feichtinger

Following the NATO-led airstrikes which enabled the overthrow of long-time dictator Muammar Gaddafi, Libya slipped deeper into political and economic turmoil. The Islamic State used the ravaging civil war between the internationally recognized government in Tobruk and the self-proclaimed Islamist government in Tripoli, to gain a base in Sirte. Thus, the chaos in Libya has helped the terrorists but has made it more difficult for Europe to attain Libya as a stable partner. The UN-led unity government is a glimmer of hope that must be reinforced.

Post-Gaddafi: Escalation of Violence

After Gaddafi's fall in 2011, an early international exit combined with Libya's weak institutions left a political void in the country. The security vacuum allowed the proliferation of militias and armed factions that viciously battled for territory and oil wealth. The escalation of violence culminated when the House of Representatives (HOR) was expelled from Tripoli to the eastern city of Tobruk in August 2014. The self-declared rival Parliament, General National Congress (GNC), took over Tripoli and as a consequence, the country was split into two competing governments. Under the respective banners of Operation Dignity in the east and Operation Dawn in the west, the two sides fought one another. The ongoing instability had a devastating impact on Libya's economy and security. Once considered a wealthy nation, it is now facing a financial crisis and the humanitarian situation is dire with 2.4 out of 6 million people dependent on assistance and in need of protection. The chaos has sparked the internal displacement of 435,000 people and has created a safe haven for IS-terrorists in Libya.

Three Governments

Today, a new unity government is operating in Tripoli, but the process towards reaching the political agreement was slow and marred with challenges. After more than a year of negotiations, a UN-brokered deal was signed by factions from both governments on 17 December 2015 in Skhirat, Morocco with the support of UN Special Representative Martin Kobler. The Libyan Political Agreement (LPA) created a nine-member Presidential Council and the Government of National Accord (GNA), headed by PM Fayez Serraj. The US and major European powers gave full support to the unity government and issued a joint statement recognizing it as the sole legitimate authority. However, hardliners from both sides of Libya's political divide have rejected it, arguing that it was externally imposed and that it did not develop from the country's political discourse.

The surprisingly smooth arrival of PM Serraj to the capital on March 30th was hailed a success and considered a glimmer of hope for the GNA's future. Within days, key economic

institutions such as the national oil company, the central bank and the sovereign-wealth fund pledged loyalty to the GNA. Furthermore, it received support from key local councils and several powerful militias, including the Petroleum Facilities Guard. Yet despite initial successes in Tripoli, the GNA has struggled to make further progress and to impose its authority. The LPA has still not been approved by the HOR, even though numerous attempts have been made to reach quorum on the vote. Disagreements over Article 8 are responsible for the delay, as some members of the HOR are afraid to hand over control of the army to the new government without a guarantee for General Khalifa Haftar's future. Hence, the road to stability is long and is made more difficult by the interference of regional governments who are fuelling and sustaining the rivalry through the support of their proxies. As a result, Libya currently finds itself in the unique position of having three governments.

Why is Libya important?

1. A New IS Base

Libya is dealing with a massive security problem that is threatening to unleash terrorism on Europe. In 2014 the Islamic State took advantage of the factional chaos and gained a foothold in Derna followed by the capture of Gaddafi's hometown, Sirte. The terrorist group has also attempted to expand toward Libya's oil facilities in the east, attacking the Sarir area and the largest refinery in Ras Lanuf. The mounting losses incurred by IS in Syria and Iraq, meant that foreign fighters were directed to travel to the North African country instead, doubling the number from 3000 to 6000 fighters in Libya.

The growing presence of IS is of particular concern for Europe because of the continent's proximity to the country, with Sirte only 700 km away from Sicily, the Islamic State has a potential capability to organize attacks out of its base in Libya. More specifically, terrorist infiltration of refugee flows is feared to be a new mode of entry into Europe. Though,

neighboring countries are also threatened by spillover, risking the destabilization of the whole region. Notably, in 2015 IS was behind two major assaults on Tunisia's tourism industry by militants who supposedly received their training in Libya. Thus, Tunisia has built a 200km anti-terror barrier along the border with Libya to thwart further atrocities, while Egypt and Algeria have similarly ramped up their border security and aerial surveillance. Other African governments, such as Nigeria, Niger, and Chad, are likewise alarmed that IS could further supply terrorists and weapons to the militant affiliate, Boko Haram. However, the Islamic State has been struggling to gain widespread political traction in Libya. One reason being, Libya's tribal-based society which is reducing the group's capacity to recruit under the auspices of a worldwide caliphate. Moreover, IS has been confronted with setbacks, being pushed out of Derna by rival Islamist militias in June 2015, and losing Sabratha more recently in February. Hence, the Islamic State's influence has been diminishing in Libya, yet it still maintains great potential to expand if the UN-backed government fails to unite the country and address the underlying issues that have led to the groups' ascent.

2. Another Refugee Wave?

People smugglers who have exploited Libya's vast ungoverned spaces continue to fuel Europe's refugee crisis. For the first time since May 2015 more people are reaching Italy than Greece, which can be ascribed to the EU-Turkey deal and the de facto closure of Macedonia's southern border. Thus, refugees from Syria, Iraq or Afghanistan, are trying to reach Europe through alternative routes. Moreover, the appalling conditions in Libya's detention centers have been a primary driver of the growing exodus, and Libya's destabilization has forced many economic migrants from sub-Saharan Africa to also make the dangerous journey. Hence, the number of people crossing to Italy has increased substantially, with at least 150,000 expected to arrive by the end of the year.

3. *Economic Crisis*

Libya's economy is collapsing. With low foreign reserves and a rapidly devaluing Libyan dinar, the country is predicted to have the world's fastest shrinking economy in 2016. The battered oil production and the bloated security sector are key drivers of Libya's budget crisis. The output of oil has dropped by 75 percent since 2011, from 1.6 million to about 360,000 barrels per day. The decline is largely due to protests, damage inflicted by fighting, and attacks on production by the Islamic State. However, this deterioration does not only affect the GNA's standing, but it also risks strengthening IS and simultaneously increasing the flow of refugees and migrants. Firstly, the loyalty of militias that have pledged to support the GNA is fickle and dependent on the government's capacity to pay their salaries - an inability to continue doing so may push militias to join the Islamic State. Secondly, Libya is both a transit and destination country for migrants and refugees and therefore a worsening financial situation will prompt more people to seek new livelihood opportunities in Europe. Hence, the international community can help the GNA address those threats and gain legitimacy through the prioritization and support of Libya's economic stability.

International Intervention

Due to the aforementioned threats, plans for military action in Libya have been reluctantly drawn up over the past year by Italy, France, Britain and the US. However, it is being clearly underlined that an intervention in Libya is dependent on the new unity government's formal invitation and the UN Security Council's authorization. Even though there has been talk of a 6000-strong international stabilization mission that is to be led by Italy, with a mandate to train and advise local forces in the fight against IS, no concrete propositions have been made yet. Furthermore, the GNA is not likely to request an official western military intervention for the time being, as its opponents are portraying the new administra-

tion as a foreign puppet installed only to give the go-ahead for an operation. Therefore, PM Serraj will be cautious not to give any weight to these accusations. Likewise, there are justified fears that a foreign-led intervention may have the opposite impact and rather encourage the growth of IS as frustrated Libyans rally around it.

Still, the unity government has relied on other forms of support from the US and its European allies. This includes the imposition of sanctions on prominent Libyan politicians who have attempted to hamper the GNA's efforts. Western powers have also stood behind PM Serraj's request to exempt his government from Libya's arms embargo. Additionally, the mandate of the EU naval Operation Sophia has been expanded to not only halt human trafficker boats out of Libya, but also to stop and search vessels suspected of smuggling arms into Libya and to start training the country's coast guards. Lastly, the US, Britain, and France have taken military action on an informal level by sending Special Operations Forces to vet out potential partners on the ground in Libya, while America is even conducting single airstrikes and drone attacks against IS targets. However, the uncoordinated and unilateral outreach to individual militias may exacerbate divisions in the country. Militias are aware that a fast way to receive political support and weapons from the international community, is by joining the campaign against IS and by appearing strong and competent. However, this competition could intensify factional violence by rekindling old rivalries, and undermining the political efforts for peace and national reconciliation.

Although the unity government established a joint military command that is calling on all armed forces to halt the pursuit of unilateral offensives in the fight against IS, rival militias have set up competing operations rooms with no battlefield coordination and a higher risk of clashes. The GNA has launched an attack on IS from the city of Misrata, west of Sirte, while General Haftar's forces have

approached from the east. With unexpected swift gains in Sirte, the military situation has developed more rapidly than Libya's political process, raising concerns about who will replace and govern liberated IS territory if the group is defeated. Even though the offensive addresses the West's most pressing concern, it is a short-term and inadequate strategy as the fall of Sirte could initiate the outbreak of another civil war if the various militias subsequently take aim at one another. The international community's "security first" attitude has relegated Libya's national political stability to second priority. This same strategy was already once undertaken in 2011 and has proven to be ineffective and even detrimental to a stable future. Only an accountable Libyan state with a functioning security sector can adequately respond and handle the IS threat or any jihadist threat in the long-term. Consequently, a counterterrorism strategy will not be successful without a vested involvement and prioritization of the political process.

Findings and Recommendations

- **Consolidate power of GNA.** The international community must pursue intensive diplomacy to persuade the rival administrations to support the unity government. The HOR's approval is especially necessary to award legal legitimacy to the GNA. Hence, individual spoilers in Tobruk must be isolated and pressured, while PM Serraj should offer a compromising military or security position to General Haftar in the new government, to overcome the chief stumbling block to the agreement.
- **Tackle unity government's budget crisis.** The economic crisis is accelerating the country's destabilization. The international community must support the GNA's revival of the economy starting with the country's oil production. The consolidation of parallel financial institutions should be blocked, and sanctions should be implemented on those individuals involved in any illegal attempts to sell oil or print cash. Moreover, the UN should consider unlocking the as-

set freeze imposed on Libya since 2011, which would free up \$67 billion dollars.

- **Address regional contributors to violence.** Some regional governments continue to support and fund rival administrations militarily, despite having signed a statement recognizing the GNA. The UN and the unity government must work towards regional de-escalation, and the international community must take a tough stance to curb interference in Libya, involving sanctions and punishment to those who break the arms embargo.
- **Support Joint Military Command to fight the Islamic State.** The current incoherent and fragmented involvement by the US and single EU member states is undermining the UN-led political agreement. Thus, these efforts must be coordinated under the Joint Military Command in accordance with the LPA, to not undercut the GNA's authority and to better fight the Islamic State.
- **Develop stronger EU-Libya cooperation on migration flows.** Operation Sophia's mandate expansion to involve the training of the Libyan coast guard has allowed for a greater degree of Libyan ownership and stronger cooperation with the EU. The international community, in partnership with the IOM and UNHCR, must build on this momentum and further support the GNA in the careful management and screening of refugees and migrants on Libyan territory.
- **Create platform to facilitate political reconciliation and transitional justice.** The country has been fractured for years and many actors who have united today will likely seek retribution from one another in the future once their common enemy ceases to exist. Thus, the UN should pursue Kobler's intention to create a Grand Shura Council, a political forum involving not only MPs but also local actors such as mayors and tribal leaders, offering a means to appease the disenfranchised.

Note: This contribution exclusively represents the author's own opinion.

Imprint:

Copyright, Production,

Publisher:

Republic of Austria / Federal
Ministry of Defence and Sports
Roßauer Lände 1
1090 Vienna

Edited by:

National Defence Academy
Vienna
Institute for Peace Support and
Conflict Management
Stiftgasse 2a
1070 Vienna
+43 (0) 50201 10 28701
lvak.ifk@bmlvs.gv.at

Copyright:

© Republic of Austria /
Federal Ministry of Defence
and Sports / All rights reserved

Periodikum der

Landesverteidigungsakademie

August 2016



IFK Monitor
International
August 2016