



The EU and Libya: Realism or irrelevance

by Luigi Scazzieri

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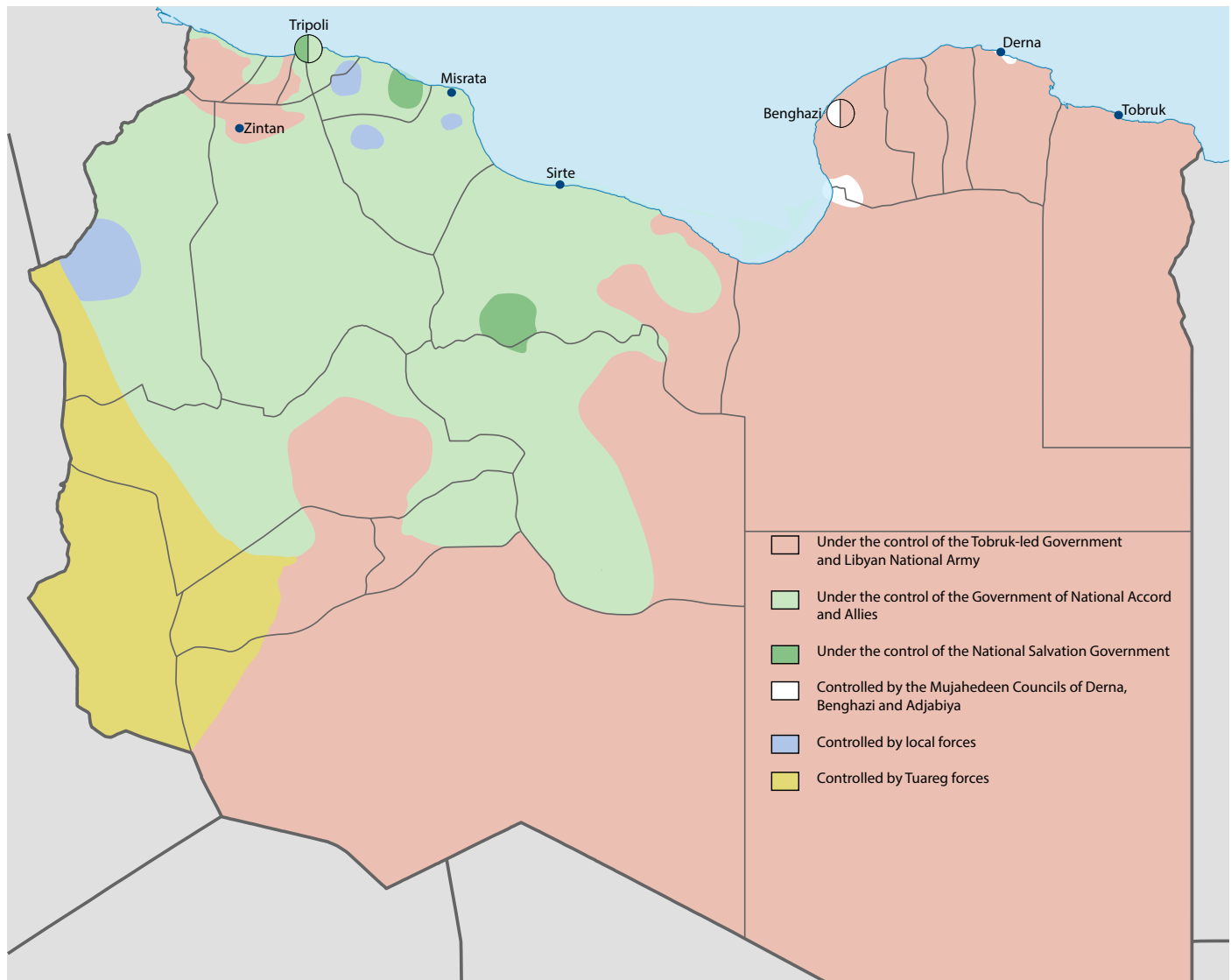
Europe cannot view Libya only through the lens of migration. It needs to stabilise the country, brokering a compromise between different factions. As violence increases and humanitarian conditions worsen, time is running out.

Migration from Libya will be the first item on the agenda of EU leaders as they meet today in Malta. But Libya is a divided nation with no effective government, and violent skirmishes between different political factions are rapidly escalating. Attempts to tackle migration will amount to little unless they are accompanied by a broader political effort to reconcile different parties in a unity government. Stabilising Libya is a priority for the EU: rising violence increases humanitarian suffering and benefits extremist groups. They also allow militant networks to expand across borders, putting the stability of Algeria and Tunisia at risk, which could lead to increases in migration flows to Europe.

Libya currently has various competing centres of power with different sources of legitimacy and support. The two main ones are the House of Representatives in Tobruk and the Presidential Council in Tripoli. The House of Representatives was elected in Libya's most recent election in 2014. It is backed by General Haftar, a strongman with close ties to Egypt and warm relations with Russia and the UAE. He has allegedly received some military support from France and the UK in fighting extremist groups, including organisations connected to Daesh. The House of Representatives and Haftar have their base of support in eastern Libya, a region with a strong sense of independence, but they also have sympathisers in the west of the country.

The Presidential Council, a nine man presidency headed by Faiez al-Serraj, is the result of UN mediation efforts to bring together the House of Representatives and the previous Libyan parliament elected in 2012, and is underpinned by the Libyan Political Agreement of December 2015. The process of reconciliation was supposed to lead to a fully-fledged government once the House of Representatives ratified the Political Agreement and approved a cabinet. But these steps have not happened,

undermining the legitimacy of the Presidential Council. The Council is not a powerful actor in its own right, but it is backed by the city of Misrata, which controls one of the most powerful military forces in Libya, as well as by prominent factions in Tripoli and western Libya. Aside from these main actors, the Government of National Salvation – made up of the rump of the parliament elected in the 2012 elections – is also a powerful actor, backed by Islamist militias in Tripoli and western Libya. Moreover, there are also extremist groups such as Daesh and Ansar al-Sharia, which are mostly active in Benghazi and Derna.



European and US diplomatic efforts have so far focused on supporting the work of the UN, which has been trying to help an effective unity government to be formed. These efforts have been unsuccessful, and the Political Agreement has fallen apart. The Presidential Council has been unable to establish its authority and legitimacy: in the east, the Council quickly came to be seen as a representative of the city of Tripoli's interests – especially given that it operated as a de facto government even though the House of Representatives had not formally ratified the Political Agreement. But even within Tripoli, the Council has little power. There are too many militias in the capital which are sometimes in open conflict with each other. The Council is riven by rivalry, widely seen as ineffective, and unable to control official

state institutions such as Libya's central bank. At the same time, other actors are gaining power: the Government of National Salvation seized several ministries in Tripoli while the House of Representatives and Haftar gained popularity across Libya when they took over much of the Eastern coastline in September, restarting oil exports. Crucially, they allowed revenues to flow to the central bank in Tripoli rather than to the bank's eastern branch, increasing hopes that the House of Representatives intends to act in the country's interests and not to set up a separate state. Skirmishes between Haftar and armed groups affiliated with the Presidential Council are increasing.

Apart from backing the currently losing side in the fight for political control of Libya, Europe's efforts to help Libya's economy and to tackle migration have also had limited success. According to the World Bank, the country's economy is 'near collapse': GDP shrank by an estimated 8.3 per cent in 2016, and Libya's financial reserves are quickly diminishing. Oil exports dropped from 1.6 million barrels per day in 2010 to 391,000 per day over most of 2016. According to the European Commission, 19 per cent of the population need humanitarian aid, yet the Commission itself provided only €7.8 million of aid in 2016. The number of migrants making the journey from Libya increased from 153,000 in 2015 to 181,000 in 2016 despite the EU's Operation Sophia, which has sought to tackle smugglers and to train Libyan coastguards. A House of Lords report concluded that the mission did not 'in any meaningful way deter the flow of migrants, disrupt the smugglers' networks, or impede the business of people smuggling'.

Libya's political, economic, and humanitarian situation is quickly deteriorating, and it is clear that EU policy has so far failed to transform the Presidential Council into a capable actor, forge compromise between different factions, alleviate humanitarian suffering or tackle migration. European efforts to strengthen the Presidential Council will amount to little if, as seems possible, Trump decides to reduce US support for the Council. Trump will be attracted to Haftar's credentials as an anti-Islamist strongman, actively involved in fighting extremist groups. One of his foreign policy advisers, Walid Phares, has publicly advocated backing Haftar. Such a change in the US approach could lead to a new political setup structured around the House of Representatives and Haftar, but also including some backers of the Presidential Council. Or the US could decide to disengage from Libya completely; Russia and Egypt would then seize the initiative, provide support to Haftar and possibly engineer a compromise with some backers of the Presidential Council – on their own terms. This would have a number of negative consequences for Western interests. It would result in a Russian-backed regime in Libya, which might give Russia a naval base in Libya – allowing Russia to project military power in the central Mediterranean. And if Haftar widens his anti-Islamist campaign to include going after moderate Islamists, it could destabilise the region and foster the growth of extremism.

To counter the trend towards the waning power of the Presidential Council and to prevent further escalation, the EU may choose to double down and back the Presidential Council more forcefully. The EU could increase aid, unfreeze Libyan assets and provide training for Libyan troops. But there is no guarantee that these steps would strengthen support for the Council; and Europe would antagonise Libya's east and deepen the country's divisions. Moreover, the complete failure of previous UK and US-led attempts to train Libyan troops suggests this is no easy task. Finally, the EU would not only increase tension with backers of Haftar such as Egypt and the UAE, it could also find itself working against the grain of US policy if the new administration does indeed turn its back on the Presidential Council.

The only realistic alternative is for the EU, in co-operation with the UN and the US, to launch a new diplomatic initiative aimed at preventing further escalation. The EU should push for a restructuring of the

Presidential Council which takes into account the change in the balance of power on the ground towards the House of Representatives and Haftar. It should aim to bring them on board with the Presidential Council, while making sure that existing backers of the Council are also involved. If the EU does not do so, it will be marginalised and Libya's future will increasingly be dictated by Russia and Egypt. To avoid this, the EU should engineer a solution which allows a compromise between the two main forces in Libya: Haftar and the House of Representatives on the one hand, and the Misratan forces that back the Presidential Council on the other. This means broadening – and possibly completely renewing – the composition and structure of the Presidential Council. It is essential that the Council is seen as inclusive by stakeholders in the House of Representatives as well as the west of Libya. To avoid repeating past mistakes, the agreement over a reformed Presidential Council must be formally ratified by the House of Representatives.

One of the main objections of the House of Representatives to the previous agreement was that it would disempower Haftar by setting up a centralised military command. To overcome this problem, a collegial military council should be formed to co-ordinate the fight against extremist groups. Recent proposals by the UN-brokered 'Libya Dialogue' for a military council with representatives from all non-extremist factions are a step in the right direction, but it will probably be necessary to give Haftar a more prominent role to bring him on board. The renewed Presidential Council should focus on restarting oil exports and improving the humanitarian situation. In particular, it should be mandated to distribute oil revenues fairly across the country's regions on the basis of population. As long as the National Oil Corporation remains the only entity able to sell oil internationally, a resource-sharing agreement will mean the different groups have less incentive to compete for control of oil producing areas.

Because neither faction holds a distinct military advantage, a deal might be done. Though the position of the Western factions is weakening, Haftar cannot count on the unconditional backing of Russia and Egypt. Cairo wants Haftar to play a pre-eminent role in Libya, but does not necessarily want to risk destabilisation of the whole country. Meanwhile, while Russia has grown closer to him, it has also backed all UN resolutions relating to Libya and maintains contacts with other Libyan actors. Neither Egypt nor Russia is actively seeking an escalation of the conflict, which would destabilise Libya as well as the broader region. Cairo and Moscow backed the House of Representatives and Haftar to counterbalance the West's support for western Libya and the Presidential Council. By relaunching and restructuring the Presidential Council to give a more prominent role to Haftar and the House of Representatives, the EU can take the initiative and craft a multilateral effort that stabilises Libya with an inclusive and legitimate political settlement. To bring the US fully on board, the EU should stress the importance of bringing together Haftar and the Misratan forces, both of whom are fighting terrorism. If Washington is committed to restructuring the Presidential Council by bringing both Haftar and existing backers of the Council on board, it is likely Moscow will support this shift. Libya is of secondary importance to Russia, and it will be unwilling to risk its relations with Trump over it.

Restructuring the Presidential Council will be a first step. But even a restructured Presidential Council will not be enough to get Libya out of the morass. Libya needs a real economic recovery accompanied by a power-sharing agreement based on a decentralised framework. If the Presidential Council manages to improve living conditions, it will have the legitimacy to act as promoter of a slow process of national reconciliation, starting with a new constitution and a resource-sharing agreement. The EU should aid this process of reconciliation and reconstruction by providing Libya with economic assistance and

fostering dialogue between sub-state institutions such as militias, city councils and other local actors that represent the real locus of power.

Europe cannot focus on migration alone. If violence continues and the economy collapses, the prospect of reconciliation will become more remote, the hopes for a stable and democratic Libya will recede even further, and Europe will be completely side-lined. Political dialogue between Libya's main players needs to be comprehensively relaunched. The time to do so is running out.

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