

Lifting of Sanctions and New Diplomatic Contacts with Libya

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In September 2003, the policy of normalisation conducted by Colonel Gadhafi for four years found its expression in the lifting of the embargo imposed by the United Nations. Tripoli had in fact finally yielded to the injunctions imposed by the Security Council by acknowledging its "civil responsibility" for the attacks in 1988 and 1989 and by compensating the families of the victims. Moreover, Libya agreed, following negotiations with the United States and the United Kingdom, to abolish its programme of weapons of mass destruction (WMD) and to permit inspectors from the International Atomic Energy Agency (IAEA) to visit the sites concerned

The new Libya is attractive. European heads of state now travel to Tripoli: S. Berlusconi, Aznar, T. Blair, Schroeder and J. Chirac have all made official visits to Gadhafi. Libya in fact offers lucrative economic prospects in areas as diverse as armaments, oil and civil infrastructures. European industrialists worry that the fear which the Bush administration inspires in the Jamahiriya may cause its leader to opt for a privileged relationship with the USA. The new stakes focus on diplomacy, the economy and security. Gadhafi's Libya is doing the belly dance again and offering its oil and antiterrorist expertise to a fascinated international community.

The US regains favour in Libya

This change of Libyan policy towards the USA may be explained by the effects of the preventive war in Iraq. The preventive war in Iraq turns the perceptions that the Libyan regime had of international relations upside down. The preventive war in Iraq appears to the Libyans to be an illustration of American omnipotence. It became apparent to the Libyan regime that if Germany, Russia and France were unable to "prevent" the war in Iraq, this effectively means that there is no limit to US unilateralism. "When Bush has finished with Iraq, we will also soon be in the line of fire. It will not take long to find out whether Iran, Saudi Arabia and Libya are also targeted. American policy will soon lose any ambiguity it has so far possessed. It will in effect become a new form of colonialism ... Bush does not obey the laws of logic. Nothing is predictable as far as he is concerned. We must be prepared for anything. Nowadays, no one can say: 'I will or won't be a target'," Gadhafi states.¹ The preventive war has led to an uncertainty which is a constant source of worry to the Jamahiriya.

In addition to the belief that the policies of the Bush administration are capable of overthrowing dictatorial Arab regimes, the Libyan fear was also being fed by the emergence of an Anti-Libyan "front" in the United States. Abdelrahim Saleh, Executive Director of the American Libyan Freedom Alliance (ALFA) wrote to President George Bush: "The tragic events of September 11th proved,

beyond any doubt, that freedom and democracy in the Arab world are as essential as ever for a secure America... For more than thirty-four years, Libyans have been brutalised by the rule of the tyrant Muammar Gadhafi. Like Saddam, Gadhafi invaded a neighbouring country, actively sought to acquire WMD, engaged in terrorism and regional conflicts, and used religion to justify his oppressive tactics. He is currently engaging in inciting hatred against coalition forces in Iraq... As a result, the Libyan question must be at the top of your administration's agenda in the fight against terrorism. Like the Iraqis, the Libyans deserve a chance to put Gadhafi on public trial to answer for his heinous crimes against Libyans and non-Libyans²." Inflammatory investigations into Gadhafi's regime appeared in the press at the same time as this letter.³

Gadhafi's Libya reacted promptly in the face of this official statement. Colonel Gadhafi made a spectacular announcement about the end of his weapons of mass destruction programme and the opening up of the sites to visits by the IAEA inspectors. On 27th December 2003, the White House announced that secret talks with Libya had concluded with the expected result. "Libya has disclosed important information on its nuclear and chemical warfare programme to the United States and the United Kingdom as well as on its research activities into biological warfare and ballistic missiles. It also undertook:

¹ *Le Figaro*, 28th April 2003.

² ALFA's letter to President Bush.

³ See the article by Claudia Gadhafi, "Deal with the Devil" published in the *Wall Street Journal*, December 31st, 2003.

- to abolish all components of its chemical weapons programmes;
- to report all of its activities in the nuclear field to the International Atomic Energy Agency;
- to abolish ballistic missiles with a range exceeding 300 km;
- to agree to international inspections aimed at ensuring Libya's compliance with the Non-proliferation of Nuclear Arms Treaty.
- to destroy all stocks of arms and chemical weapons."⁴

Secret negotiations conducted by the USA and the United Kingdom with Libya terminated with this unexpected result. The spectacular announcement by Gadhafi ultimately appeared to be an effect of the war in Iraq. To tell the truth, Libya had been looking for ways of fully reintegrating into the international community since the suspension of the embargo in 1999.

The fight against terrorism: Libyan expertise is sought after

Since 2001, numerous encounters have taken place between the Libyan and Anglo-American leaders. Libya's role in the outcome of the hostage taking on the island of Jollo by the Islamist fundamentalist group Abu Sayaf was an indication of its new position. In securing the release of the hostages thanks to mediation by the Libyan leaders, Libya improved its image on the world stage. At the same time, this exercise in mediation demonstrated Libya's ability to influence Islamist fundamentalist movements. In the global fight against terrorism, this aptitude will enable Libya to fit into the coalition of States waging war against Islamist terrorism. And the fight against Islamist terrorism has presented a challenge to the Jamahiriya for three decades. During recent years Libya has accumulated a degree of "expertise" on this point that Moussa Koussa, formerly responsible for the revolutionary committees on foreign affairs, never fails to emphasise at every opportunity in his meetings with his foreign counterparts. More recently, Libya gained further publicity by con-

tributing to a favourable outcome when Europeans were taken hostage by an Algerian Islamist fundamentalist group in the Sahara. According to the Algerian press, the release of the 15 hostages (10 Germans, 4 Swiss and one Dutch) from the GSPC was due to Libyan mediation.⁵ The visit by Abdelaziz Bouteflika to Tripoli on 15th May 2003 is also likely to have facilitated an agreement between Libya and Algeria on the hostages taken by the GSPC.

Bringing Libya into the Euro-Mediterranean area

In December 2004, the EU lifted its arms embargo on Libya. With its oil wealth, Libya again became a sought after, lucrative market. Anchoring Libya in Europe has become a strategic objective for European leaders. Libya's attractions in the areas of both security and energy are undeniable during a period of struggle against global terrorism and increases in the price per barrel of crude oil. Empowered by their newly-found popularity, the Libyan authorities embarked on an ambitious economic programme with the aim of attracting numerous foreign investors. The government valued the investments to be made between 2000 and 2005 at 35 billion dollars (replacement of the air fleet, construction of a new railway line, modernisation of oil infrastructures, development of the tourist industry). With this in mind, Libya has a need for direct foreign investment. A new organisation responsible for directing investments (Higher Investment Council) was established to deal with this new policy. It was crucial for Prime Minister Shoukri Ghanem to restructure the Libyan economy after the end of the embargo. A privatisation policy was added to the negotiations on the return of the American oil companies. The government thus contemplated the transfer of 360 production units from the public to the private sector between 2003 et 2008. The government initiated a whole series of projects in the infrastructure sector. The Socialist Port Authority, responsible for the management of 7 commercial ports, plans to extend the

port of Misurata to attain a capacity of 6 million tonnes of goods annually. The Railway Executive Board has a programme of railway networks: Sirte-Benghazi (600km), Benghazi-Tobruk (470km) and ultimately a metro and light railway project in Tripoli, and so on. The lifting of the embargo made Libya extremely attractive for direct foreign investment, in particular in the hydrocarbons sector. Ahmed Abdulkarim, former chairman of the NOC and currently director of OilInvest, the state-owned oil holding company, stated that the government is looking to attract 10 billion dollars of foreign investment in the hydrocarbons sector by 2010. According to the British consulting company Robertson Research International Ltd, Libya is a prime destination for investment in hydrocarbons. Only 24% of gas and oil reserves, estimated at 40 billion barrels, are exploited. Libya produces around 1.5 million barrels a day and the government plans to increase production capacity to 1.8 mbd in 2006 and to 3 million in 2020. Prior to 1970 (the year of the nationalisation of the hydrocarbons sector) Libya was producing 3.3 million barrels a day. In the gas sector, Libya hopes to begin exporting its natural gas to Italy before long via an underground pipeline in the Mediterranean. Libya's gas reserves are estimated at 1,500 billion cu.m., or 1% of world reserves, and its production, in 1999, was 12,200 million cu.m. per year. This is why the Ministerial Declaration at the Euro-Med Energy Forum in May 2003 emphasised the necessity of completing the "Euro-Mediterranean gas ring" between 2003-2006, by intensifying its support for the following projects:

- a gas pipeline supplying Spain and France from Algeria ;
- a gas pipeline supplying Italy and France from Algeria ;
- a gas pipeline leaving Libya to serve Italy (passing through Malta) ;
- an interconnecting gas pipeline between Egypt, Libya and Tunisia.

Europe's energy policy (38.5 % of gas supplies to OECD Europe come from Russia, 33% from Algeria, 20 % from Nigeria, and 7% from Libya and the

⁴ State Department, 27th December.

⁵ *Le Quotidien d'Oran*, 8th July 2003.

WESTERN SAHARA: LINKS OF INTEREST

MOROCCO

Webpage of Moroccan Prime Minister

www.pm.gov.ma/fr/index.html

Moroccan Ministry for Communication and Sahara dossier

www.mincom.gov.ma/espagnol/reg_ciud/sahara/index.htm

Moroccan Ministry of Foreign Affairs

www.maec.gov.ma/fr/default.asp

Webpage for a Moroccan Sahara

www.sahara-marocain.com/

SAHRAWI WEBPAGES

Association de soutien à un référendum libre et régulier au Sahara Occidental

www.arso.org

Sahrawi press agency

www.spsrasd.info/index.html

Collectif d'initiatives pour la connaissance du Sahara Occidental

www.sahara-occidental.com/

Agency for Sahrawi information in arabic

www.tukatt.org

UNITED NATIONS

Pages of the missions for peace-maintenance of the United Nations – Minurso

www.un.org/Depts/dpko/missions/minurso/

Minurso

www.minurso.unlb.org/

United Nations News Centre

www.un.org/News/

OTHERS

Spanish Ministry of Foreign Affairs and Cooperation

www.nuevo.maec.es/turcana/es/index.jsp

Argelian Ministry of Foreign Affairs

www.mae.dz/index.asp

Arabic Maghreb Union

www.maghrebarabe.org

African Union

www.africa-union.org/

Middle East) forces the countries of the Maghreb to converge. Libya is aware of the advantages of its geographic loca-

tion. The objective of the Libyan authorities is full participation in the "Euro-Mediterranean energy market." With this

in mind, Libya should be able to become fully integrated in the Euro-Mediterranean Partnership during the year 2005.