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The Libyan Elites Divorce Each Other, Again

Álvaro de Argüelles Lugo

Department of Contemporary Arab and Islamic Studies
Autonomous University of Madrid

Libya's political life has become a soap opera, and its plot is becoming repetitive at the expense of its seven million citizens. Lacking teeth, the United Nations Support Mission in Libya (UNSMIL) keeps proposing the same roadmap to resolve the country's 14-year-old deadlock, namely, to distribute oil revenues and political offices among a clique of unelected, unpopular businessmen, warlords and remnants of the former regime. Be it the Government of National Accord (2015-2021) or the Government of National Unity (2021-), the goal has been to form an all-encompassing, big-tent executive that satisfies the elites both in Tripoli and Benghazi, to no avail.

Although Libya is by no means unified, something did change early in this decade. On the one hand, Khalifa Haftar's fiasco in Tripoli – and the subsequent Turkish intervention against his “Operation Flood of Dignity” – proved that there was no military solution to the Libyan crisis. Secondly, the Arab Cold War that had followed the 2011 Arab Spring receded, and a new Great Reset took place, compelling former rivals to sit around the negotiating table, both in Libya and elsewhere. This was especially the case for the United Arab Emirates and Turkey, with President Erdogan and Crown Prince Mohammed Bin Zayed meeting in 2021, for the first time in nearly a decade.

In Libya, newly-elected PM Abdulhamid Dabaiba was able to establish for the first time a backchannel with Haftar's entourage, thanks to the continuous lobbying of Abu Dhabi. This empowered both Dabaiba's family – which comprises Gaddafi's former official and billionaire Ali Ibrahim Dabaiba – and Haftar's, including Saddam, Belgacem and four other sons. The

first dividend came in July 2022, when the two powerbrokers agreed to replace Mustafa Sanalla, chairman of the National Oil Corporation (NOC) between 2014 and 2022, with Farhat Bengdara, a Libyan politician who, incidentally, holds an Emirati passport. The takeover of this and other vital institutions by the Dabaiba-Haftar duo was at the expense of the House of Representatives (HoR) and the High Council of State (HCS), whose leaders were themselves plotting a different institutional overhaul using the wannabe Prime Minister Fathi Bashagha as their Trojan horse. Needless to say, none of these figures were interested in allowing the Libyan people to express their views through free and democratic elections.

In the recent months, the 2022 deal has collapsed, with both sides competing for the state apparatus and Dabaiba seeking to entrench himself in the capital by force of arms. This does not necessarily mean that Libya is heading back towards nationwide infighting, as we witnessed in 2011, 2014 and 2019. But one thing is clear: short-term, parasitic arrangements are bound to be continuously renegotiated as global political and economic prospects change, especially given the absence of any sense of patriotism or strong rule-enforcing mechanisms. The world in 2025 bears little resemblance to that of three years ago, and so the Libyan elites divorce each other again, ready to restart the bargaining process.

What Has Changed? A Flood and the Russian Invasion of Ukraine

Behind the collapse of the 2022 agreement, there are two distant factors. One is the 2023 Derna floods, a human-aggravated, natural disaster that served as a pretext to postpone legislative and presidential elections *sine die*, as well as for the creation

of a Libyan Development and Reconstruction Fund, chaired by none other than Belgacem Haftar. The calamity which, according to some analysts, killed between 14,000 and 20,000 people, has been turned by the Haftars into a money-making machine. In addition to serving as a political launchpad for the Marshal's son, the fund is expropriating prime seaside real estate, and suspiciously granting most reconstruction contracts to Emirati and Egyptian firms.

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There is also evidence that the eastern authorities are smuggling and selling scrap metal through the Benghazi port, itself controlled by the Military Investment and Public Works Committee. But what Dabaiba must have resented the most is that, on top of the multi-billion-dinar budget allocated by the HoR, the fund is able to borrow from commercial banks in the east with no intention of repaying them and with the subsequent bail-out of the Central Bank of Libya (CBL). All the while, his former Governor, Sadiq al-Kabir, has been battling the GNU for the country's oil revenues.

The other shift is an incidental consequence of Russia's invasion of Ukraine. As a result of the sanctions, Moscow is now in need of other buyers for the fuel it previously exported to Europe. And oil-rich Libya, with a limited refining capacity, has been more than willing to buy it. Fuel has traditionally been subsidized in North African countries, and it represents one of the key items of the "authoritarian contract" that makes unelected leaders tolerated by their population. And thus a bartering system was born, allowing for the exchange of Russian fuel for Libyan crude oil with prior NOC approval, in order "to alleviate shortfalls of foreign currency." But Libya is now importing fuel beyond its needs, and the UN Panel of Experts believes the aim is to smuggle and resell it to third countries to the benefit of the Haftars. If this was not enough, in 2023, for the first time ever, the National Oil Corporation granted a license to a private company, Arkenu, to export oil. Linked to

Saddam Haftar, the original deal was that the firm would develop the Sarir and Mesla oilfields in eastern Libya in return for an unspecified share of its production, but again, it is thought that it is involved in smuggling activities. As with the Development and Reconstruction Fund, the Haftars had founded a new source of dark money that left Dabaiba on the sidelines.

The CBL and the NOC, Reshuffled

With such unbalanced revenue distribution, a crisis revolving around the control of the CBL and NOC was bound to take place sooner or later. Dabaiba's offensive began in August 2024 with the collaboration of the head of the Presidential Council, Mohammed Menfi, who sacked Kabir as the long-serving governor of the Central Bank and appointed a new board to administer it. The episode included a dramatic takeover of the bank's headquarters, seizing control of the building in Tripoli, but failing to gain access to the reserves that derive from the sale of hydrocarbons and are held in US dollars in foreign banks. Menfi's decree, of dubious legal validity, triggered an international crisis and was close to provoking an armed one, with the mobilization of the dormant Misrata Military Council and other groups in western Libya in favour of Kabir. For their part, the Haftars resorted to one of their usual oil blockades; on this occasion, however, they were in no hurry to lift it, as money was still flowing thanks to an exception granted to Arkenu.

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The ousted Kabir fled to Turkey, and it took two months for the House of Representatives and the High Council of State to agree on a new governor, Naji Issa, who was not the governor Menfi had sought to impose.

The departure of Bengdara in January 2025 was much less spectacular, as he himself resigned citing health issues and after it was discovered by the Libyan public that he holds Emirati citizenship. His successor, Massoud Suleiman, seems to be limiting the bartering of crude oil for fuel, following international pressure and a request by Libya's public prosecutor. But this does not mean that either him or Issa are close to Dabaiba or opposed to Haftar, and their loyalties will fluctuate once a new tug-of-war begins.

Dabaiba Clings to Tripoli

Another major event has been the clashes that erupted in Tripoli in May 2025. The competition between the Dabaibas and the Haftars replicates at the local level, and the sacking of Kabir and, early in this year, of the head of the Libyan Post, Telecommunications, and Information Technology Company (LPTIC) alienated the capital's two largest militias, RADA and the Stability Support Apparatus (SAA), the latter controlling several commercial banks in the city. In turn, this forced the Prime Minister to increase its dependence on Misrata militias, including Brigades 111 and 444, altering the fragile equilibrium between armed groups. The fighting began on 12 May, when the SSA leader, Abdelghani al-Kikli "Ghenewa", was executed during a meeting with the leadership of the 444 Brigade. Benefiting from the surprise factor, the Misrata forces managed to take all SSA positions in the Abu Salim neighbourhood, *de facto* dissolving the group. But getting rid of RADA the next day proved to be a much more complicated task, with hostilities ensuing in densely populated areas. The reckless manoeuvre provoked citizen demonstrations against Dabaiba on the following Friday and served authorities in the East to renew the calls for a government reshuffle. At the time of writing, a fragile truce holds in Tripoli.

International Alliances Keep Shifting

Even if Dabaiba succeeds in cementing his new Tripoli coalition, Haftar's less-fragmented Libyan Arab Armed Forces (LAAF) clearly remain better poised in military terms. Overall, the international scenario in 2025 is also favourable to the Marshal. Bashar Assad's ousting in Syria, while disrupting the flow of

captagon and other illegal activities of which the Haftars were profiting, has made them more important than ever for Moscow to keep projecting its force in Africa and the Mediterranean. The new US administration does not seem particularly pressed to evict the Russians out of their bases in Latakia and Tartous – Israel is also reportedly lobbying for them to stay –, and thus the air bridge between Khmeimim and al-Khadim might carry on uninterrupted. A Russian naval base being established in either Libya or Sudan cannot be entirely ruled out, but for the time being there is no concrete proof to suggest this will happen. The UAE also needs the Haftars to prolong their assistance of the rebellious Rapid Support Forces in Sudan, as the recent expansion of Mataan al-Sarra Air Base in Libya's southernmost corner indicates. The capture of Zurug in December 2024, a key supply point in North Darfur, by the Sudanese army will have relevant ramifications for those monitoring the situation in Libya.

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Another turning point that will open new arenas for competition is the return of Donald Trump to the White House, who once blessed Haftar's attempts to seize Tripoli by military means. Trump's main concern in Libya will be to include the country in the Abraham Accords, and in this regard the authoritarian East seems more likely to deliver than the GNU, as shown during the 2023 Najla al-Mangoush affair. Additionally, the Trump administration is also looking for third countries to send "despicable human beings" to, as Secretary Rubio has put it, – some reports even mention Libya as a destination for forcedly displaced Palestinians. Again, this might benefit the Haftars who enjoy tighter territorial control and have more material means than Dabaiba; the murder of the smuggler – turned-coastguard Abd al-Rahman Milad, aka "Bija," in September 2024 evidences that the human trafficking business is still volatile in western Libya.

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But the GNU maintains foreign allies, and the controversial release of an ICC prosecuted war criminal in Italy this January is a case in point. To many human rights organizations, including HRW, the incident confirmed Rome's complicity in the well-proven mistreatment of refugees and migrants in Libya. Secondly, while Turkey has been wooing the Haftars for years – this April, Saddam was received with formal martial honors in Ankara –, its priority remains the internationally-recognized government, which has the authority to pen deals like the 2019 maritime Memorandum of Understanding. The rest of the European countries will continue to pivot between the East and the West with energetic resources, migration, and security as their main considerations. Repsol, Eni and BP are all increasing onshore and offshore activities in Libya.

The Money Will Not Last Forever

With Kabir out, authorities in eastern and western Libya are back to unhinged expenditure, and there is no unified budget law in sight. But the money will not last forever, especially in a context of dropping oil prices worldwide, and so the Libyan elites are bound to clash, or, more likely, find new ways to perpetuate themselves. Recent months have witnessed a more aggressive Menfi, who in early May approved a series of decrees setting a deadline for a referendum on the draft Constitution and declaring all HoR laws since 2021 invalid until reviewed by the Presidential Council. While unlikely to have any effect on their own, Menfi's decrees, together with the clashes in Tripoli, signal that Libyan kingmakers are on the verge of a new restructuring process.

Whatever the outcome, however, it will eventually crumble, as the July 2022 agreement did and all the others that came before it. The crisis will involve the

usual veto player – from militias to both chambers of parliament – and techniques: a plethora of questionable laws and executive decrees, attempts to dissolve pre-existing institutions, insincere calls for elections and constitutional reform, and sporadic clashes. The only solution to the Libyan conundrum would be for the international community to start resisting the demands of the two ruling families in the country, the Dabaibas and the Haftars. This would include active criticism and denunciation, including by the UNSMIL, and, above all, sanctions. Until there is appetite for that, Libya will remain trapped in the ongoing cycle of narrow-minded, clientelist negotiations.

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