



INSIDE LIBYA

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FOREWORD

The Regional Program Political Dialogue South Mediterranean (PoDiMed) of the Konrad-Adenauer-Stiftung (KAS) in cooperation with LIBYA DESK™ is delighted to continue our monthly reports on Libya for 2022. This format examines the most important political, economic and social developments of the previous month, which are of central importance for understanding the situation in Libya. The report is based on reliable Libyan sources and provides a summary and a contextualisation of developments in the wider Libyan context. The report is usually being published every first week of each month.

While much attention has been paid to the external and geopolitical dimensions of the situation in Libya, voices from within Libya are central to understanding local developments and the evolution of the Libyan conflict as well as its impact on the wider Mediterranean region. As an inclusive Libyan-led and Libyan-owned mediation with regards to the political, economic and military tracks are without alternative, these monthly reports emphasise the most important events within Libya and aim to give a better picture of what happens “Inside Libya”.

Based on existing KAS-PoDiMed formats such as the Libya Brief and the Libya Task Force, we consider it necessary to shed light on the dynamics within Libya and to emphasise the importance of continuing and facilitating a national dialogue process in the spirit of the UN-led Berlin process.

We hope that these monthly reports will give our readers a better picture of the dynamics of the ongoing Libyan conflict, its actors and multiple dimensions.

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EXECUTIVE SUMMARY

- 1.** Similarly to the 2015-2020 period, Libya now finds itself with two rival governments controlling different localities and vying for international recognition.
- 2.** The Government of National Stability (GNS) led by Fathi Bashagha initially planned to swiftly take over Tripoli. International and domestic pressure and fear of conflict pushed it to adopt a different approach to transition.
- 3.** The Government of National Unity (GNU) led by Abdulhamid Dabaiba has vowed to stay in power until it can deliver on its own interpretation of Libya's defunct political roadmap and only hand over power to an elected authority.
- 4.** Stuck between a rock and a hard place, the international community adopted neutrality and showed indecisiveness in dealing with Libya's two rival governments. This strategy risks being counterproductive and contributing to a return to conflict.
- 5.** A constitutional track, which is nothing less than a crossroad between various plans for transition, is being pursued without much clarity as to which parameters will prevail in settling the constitutional basis for elections.
- 6.** Geopolitical developments in Europe are impacting food security in Libya and creating a situation where any political turmoil could spiral into grave humanitarian consequences.
- 7.** Higher political tensions risk spiralling into the economic sphere with greater debates over the distribution of oil revenues in this transitory period and the formulation of a 2022 budget.
- 8.** Disregarding the rule of law, security agencies throughout Libya have reinforced their crackdown on political activists and dissenting voices.
- 9.** Geopolitical realignments and the Libyan National Army's (LNA) support to the GNS could provide the necessary framework to expel foreign mercenaries. However, Libyan armed forces remain divided and self-interested.
- 10.** Gradually, patience on the pro-GNS side risks running thin and fissures might appear within the alliance backing Fathi Bashagha that could drive up the risk of conflict in Libya.

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FATHI BASHAGHA IS BLOCKED FROM ASSUMING PREMIERSHIP IN TRIPOLI

The Government of National Stability (GNS) initially planned to swiftly take over the capital Tripoli. International and domestic pressure and fear of conflict pushed it to adopt a different approach to transition.

On March 1st, the House of Representatives (HOR) gave its vote of confidence to the Government of National Stability (GNS). Two days later, Fathi Bashagha was sworn in as Prime Minister in Tobruk. Consequently, the HOR-appointed Prime Minister took the mantle of leadership by calling for wide support for his government in a televised speech, and explained that he would cooperate with key state institutions to govern Libya for the interim period agreed upon in the parliamentary roadmap. The latter is a contested plan which the HOR claims to have reached in consultation with the High Council of State (HCS) as a means to replace the Government of National Unity (GNU) and hold a constitutional referendum as well as general elections by May 2023 at the latest. Fathi Bashagha also announced he had already initiated legal, administrative and security arrangements to secure a peaceful handover of power from the GNU in Tripoli, and would make an entry into the capital within a few days from his swearing in ceremony. Fearing a dangerous escalation into conflict between its allies, Fathi Bashagha and GNU Prime Minister Abdulhamid Dabaiba, Turkey as well as key Misratan figures and factions quickly jumped in to convince Bashagha to pull back his advance team which was about to enter Tripoli. Bashagha granted assurances to international and domestic sceptics that the GNS would do all in its power to avoid bloodshed in its quest to enter the capital. Although Bashagha claims to have unmatched knowledge of Tripoli's security and military landscape as well as the networks to secure control over key governmental buildings there, he decided to put self-restraint at the centre of his approach to assume premiership. Throughout March, he therefore opened a diplomatic front to gain greater legitimacy, and also strived to score points on the ground that would make his GNS look like the one and only "Libyan Government", as can be read on his government's crest.

Bashagha knows that the success rate of a peaceful transition highly depends on the international recognition of his government and pressure over Dabaiba to relinquish power. This approach was helped by the fact that the GNU used escalation as a method to withstand its new rival and prompted condemnation from France, Germany, Italy, U.K. and U.S. The more foreign officials started discussions with him, the more Bashagha's claim to power materialised as he is now negotiating ways in which Dabaiba could be dismissed as Prime Minister. For instance, Bashagha sent a high-profile delegation to Turkey in late March, the key country whose support would be needed to unseat Dabaiba, and planned trips to regional capitals like Doha

and Cairo, whose governments already support his bid to become Libya's only Prime Minister and enjoy enough influence over the west of the country to help him achieve that goal. In Qatar, Bashagha was not the only Libyan representative as GNU Foreign Minister Najla al-Mangoush also travelled there to gather international support for Dabaiba at the Doha Forum and warned that "some parties in Libya", i.e. the HOR, "are trying to hang on to power to their own benefit." On top of the international field, Bashagha also doubled down on efforts to gain popularity and legitimacy within Libya – with various degrees of success. Early on, he travelled to his hometown of Misrata to remind this key military and economic powerhouse of his revolutionary credentials and convince his townsmen he was not after personal gains, but ultimately failed to gain their full support to depose his fellow Misratan rival Dabaiba. Bashagha saw greater enthusiasm from Zawiyah, a city which has grown in influence over the last years in western Libya and whose strongmen certainly liked the appointment of fellow Zawiyan Essam Abu Zreiba as GNS Minister of Interior. Throughout March, as Bashagha's ministers were sworn in one by one, at least half a dozen GNU cabinet members left office and justified their departure on the HOR's newly appointed government, thus showing cracks within the Tripoli-based government and demonstrating the fact that many GNU ministries were staffed by people holding greater allegiances to institutions like the HOR rather than the Prime Minister's office. The GNU found itself constrained in Tripoli as the GNS took control of the Secretariat office in Benghazi on March 15th. On March 22nd, clear LNA support also enabled the GNS to do the same in Sebha, the seat of the central government in southern Libya, with Deputy Prime Minister Salem al-Zadma taking office there. With these takeovers, the GNS came to rule over the majority of Libya's territory and gained in stature by adhering to the formalities of an operational government. Its Prime Minister also issued a decision calling on all state institutions not to comply with any GNU-issued decision, a proceeding that further isolates GNU members and makes them run the risk of legal procedures in the future.

Nonetheless, the GNS is not in an easy position and its escalating rhetoric demonstrates growing levels of frustration with the spectre of a divided and unstable Libya. From initially thanking Dabaiba for his governance over the last year, Bashagha quickly changed his tone as soon as it became clear power would not be relayed to him by the GNU. He accused the Tripoli-based government of preventing his cabinet from assuming its responsibilities and called upon the Attorney General to hold Dabaiba accountable for this "criminal offence". Then, later in the month, he accused the GNU Prime Minister of not only having sabotaged general elections meant to be held on December 24, 2021 but also of stealing Libya's wealth and supporting terrorism as well as armed militias. Othman Abdel Jalil, the GNS' Minister of Health and Spokesperson, reminded that Bashagha would not operate from any other city than Tripoli and that his bid to hold elections was the only serious one as he vowed to step down immediately should he

fail to hold general elections by their yet to-be-specified date. These statements show that, despite a commitment to non-violence on the GNS' part, the pro-Bashagha alliance relies on a delicate balance that could implode as key backers such as the LNA are growing impatient with the current impasse. Of note, the LNA would still mark points in a scenario where Libya is divided between two governments, but the military force believes it can strike greater gains by having a friendly government operate from Tripoli.

As explained by [Inside Libya's nineteenth issue](#), Bashagha's cabinet of 40 members is not without controversy and could suffer from the same consequences of political bargaining that the GNU is currently facing. Tripolitanian forces opposing the GNS have claimed the HOR-appointed government gave two powerful positions to pro-LNA figures, notably the Ministries of Finance and Defence – a criticism that Bashagha deflected by saying he did not base his cabinet on a quota system and provided six ministries to figures close to Burkan al-Ghadab (Volcano of Rage), the western Libyan force that fought the LNA's Commander Khalifa Haftar's onslaught on Tripoli from 2019 to 2020. Equally, the HOR's vote of confidence where 92 out of 101 lawmakers approved the GNS' cabinet was based on questionable procedural grounds as the parliamentary quorum is not easily defined due to the decrease in the number of active MPs for various reasons, and on the day of the vote of confidence about 10 voters were said to have voted electronically through dubious means such as via the popular messaging application WhatsApp. The latter concern was later brushed off by Speaker Agila Saleh who presented a final list of MPs' signatures to confirm their vote and attendance during the GNS swearing-in ceremony. Once again, this episode shows there has not been any effective unification of the HOR as its Speaker continues to bend rules in a way that suits his agenda and weakens the legitimacy of the legislative branch. Legitimacy, however, is not much of a staple in demand by Libyan politicians who have fallen into "whataboutism" and prefer unilateral actions to serve their agenda as this has been the modus operandi of recent years in the country.

ABDULHAMID DABAIBA DEFIES PRESSURES TO STEP DOWN

The Government of National Unity (GNU) has vowed to stay in power until it can deliver on its own interpretation of Libya's defunct political roadmap.

As Fathi Bashagha eyes the capital, Abdulhamid Dabaiba has retrenched the GNU into a fortress mentality and pursued more populist initiatives to prolong his stay in power. Feeling encircled and knowing that stepping down from a position of weakness would fail to shield his clan from legal proceedings and political fall in the future, Dabaiba chose escalation to raise the

stakes and equate the GNS' formation with direct threats to Libya's stability. Just like the HOR, LNA and GNS have built an anti-GNU narrative, Dabaiba has underpinned his account of Libya's political situation with arguments against his rivals. For him, Libya has fallen victim to a conspiracy by the HOR and HCS to extend their terms indefinitely by sabotaging the constitutional track and general elections, claiming that the HOR violated its own procedural rules to "fabricate" a government that, in his eyes, is nothing more than a Trojan horse used by the LNA to eventually gain presence in Tripoli. This narrative, carried by a powerful media front, is attractive to Volcano of Rage members, MPs opposing Agila Saleh's monopolisation of power within the parliament, and general citizenry who do not believe in another transitional government and more specifically have no confidence in institutions like the HOR, whose members have clung to power since 2014.

This narrative automatically projects the GNU in an existential crisis where escalation and confrontation are the only solutions to facing the threat brought by the GNS. For instance, the GNU adopted escalatory measures that included the temporary arrest of three GNS cabinet members, i.e. Foreign Minister Hafez Kadour, Culture Minister Salha al-Drougi and Minister of Technical Education Faraj Khalil to prevent them from being sworn-in in Tobruk. More strikingly, the GNU enforced a domestic flight ban preventing Libyans from flying between Tripolitania and Cyrenaica from March 3rd to March 22nd, leading to condemnation from the Secretary General's Special Adviser (SGSA) Stephanie Williams, other members of the international community and a large number of Libyans. These methods show that Dabaiba's strategy has been to keep Bashagha at bay for the longest time possible so as to limit the GNS' effectiveness and use his own nominal control over western Libya to engineer a political process. Dabaiba hopes that such a process would bring him back in a position of superiority to either stop his rival from getting into power or gain guarantees such as protection from future legal lawsuits and the ability to run in the upcoming elections.

In fact, the GNU Prime Minister has repurposed himself as a pro-elections figure mirroring the international community's call for polls as soon as possible and asserted his government would not leave office until parliamentary elections are held on June 30th, 2022. In this way, Dabaiba seeks to bandwagon on hopes expressed earlier this year by the United Nations Support Mission in Libya (UNSMIL) for general elections to be held by June and seeks the image of a progressive figure counteracting political manoeuvres from status-quo actors. This is why Dabaiba is pursuing any imaginable means to draft a constitutional basis for elections; from calling upon the Presidential Council and Supreme Court to revive the Constitutional Court, to forming a "National Committee for National Dialogue on Election Laws and Constitutional Basis" and seeking the support of friendly HOR/HCS members to influence their Joint Committee's deliberations on a constitutional basis for elections. For the latter point, Dabaiba has been embolde-

ned by HCS Chairman Khaled al-Mishri's 180-turn in regards to the parliamentary roadmap, which he initially supported before rejecting it as another unilateral move from Agila Saleh.

Despite being in a delicate position, Dabaiba has continued to project the same image as a dynamic and popular leader throughout Libya's media landscape, which remains heavily linked to his entourage. This showmanship enables the GNU to appear effective and brush off obvious signs that its wings have been clipped. For instance, the GNU took this month important steps toward decentralisation by dividing the country into 18 provinces to be governed by a council of mayors and having the exact same governance structure including similar directorates for health, agriculture or labour and rehabilitation to revise regional disparities. On the economic front, the GNU Minister of Economy continues to announce investment projects throughout the country while Central Bank of Libya (CBL) Governor Saddiq al-Kabir travelled to Washington to promote Libya as a business destination for U.S. companies. The CBL also announced the first shipment of around 1 billion LYD (€180m) in cash to provide eastern banks with liquidity. Dabaiba also declared that a 9-months family allowance would be distributed all at once during the holy month of Ramadan, a clever move considering the current rise of food prices and the politically sensitive moment. Interestingly, a speech this month by Agila Saleh on the GNS' future duties showed that despite all the criticism voiced against the GNU, similar cash-handouts including Dabaiba's controversial marriage grant would continue to be disbursed under the new government.

Overall, it can be said that over its year-long stay in power, the GNU has had an important impact on the Libyan state and introduced a number of policies that any successive government would have no option but to continue with such policies given the political risk attached to abolishing them. However, many of these policies – such as the marriage grant and other populist handouts – have been questioned by Libyan economists and experts who argue that such policies were badly designed and poorly implemented by a government that prioritised gaining popular support over addressing Libya's many crises, thus setting the stage for dire economic repercussions that will ultimately be felt by everyday Libyans in the years to come. Nevertheless, Dabaiba is not yet keen on seeing someone else take over his legacy, and seems to consider more and more a scenario in which he would replicate the 2015-2020 experience of the Government of National Accord

(GNA), an administration which had only nominal control over Tripolitania. In fact, the GNU Prime Minister was heard saying in a recorded statement that he might hold elections in constituencies under his control only, thus preferring to entrench himself in power over a smaller territory than relinquish office. This possibility validates the view that Dabaiba's plan for June 2022 elections is not entirely serious and actually serves the purpose of prolonging his time in power.

A DIFFICULT BALANCE BETWEEN INTERNATIONAL NEUTRALITY AND INTERMEDIATION

Stuck between a rock and a hard place, the international community adopted neutrality and showed indecisiveness in dealing with Libya's two rival governments. This strategy risks being counterproductive and contributing to a return to conflict.

When it comes to recent political developments in Libya, the international community has clearly been lost for words as most foreign countries want to avoid any perception of bias or interference in Libyan affairs. For instance, SGSA Stephanie Williams explained it was not UNSMIL's role to recognise either the GNS or the GNU as Libya's sovereign government and instead focused on an intermediary approach to prevent the two rivals from falling into violence or polarising the country over the long-term. Major international or regional bodies such as the United Nations, the European Union or the Arab League called on Libyan actors to avoid any incitement to violence, hate speech or disinformation. Both Williams and U.S. Ambassador to Libya Richard Norland sought to initiate direct talks between Bashagha and Dabaiba to find a political solution to the current impasse, without much success as the rhetoric between the two individuals has been overwhelmingly antagonistic. Williams and Norland also went on discussions with key Libyan institutions like the HCS and High National Elections Commission (HNEC), while the U.K.'s Ambassador to Libya Caroline Hurdall made a rare visit to Benghazi where she met with Khalifa Haftar. All these meetings were meant to bring consensus between different parties that conflict should be eschewed at any cost and general elections should remain the priority for all, with a particular focus on the constitutional track.

Despite this, neutrality on the international community's part has somehow been dizzying for many Libyans in that anyone can interpret a neutral position according to their own agenda or set of beliefs. For the many who have contempt for the largely ineffective international-led processes in Libya, foreign silence over which government should be recognised was duly noted. In this group, for those opposing Dabaiba, international indecisiveness toward the GNS was perceived as unwillingness to adapt to the concept

of a Libyan-led political process, i.e. the HOR's political process. For those uncomfortable with the idea of a new interim government backed by most status-quo figures, the lack of international condemnation against the HOR-led political process demonstrated political machinations between domestic and foreign elites. For the contestants in question, i.e. the GNU and the GNS, any engagement from international actors was welcomed as being beneficial to their political end. In fact, both governments seem to have turned a deaf ear to the neutrality of the international community and sought to paint themselves as its favourite. In other words, each side took advantage of the international community's neutrality and ambiguity towards the legitimacy of each government as a means to bolster their own position in their quest to be recognised as Libya's sole interim government. On the one hand, supporters of Bashagha saw direct engagement by foreign actors with the Prime Minister-designate as proof that he was gaining international legitimacy and also perceived the SRSG's condemnation of Dabaiba's domestic flight ban as a harbinger to the GNU's loss of UN support. On the other hand, pro-GNU forces noted the Secretary-General's concerns over reports of subpar standards of transparency and procedures by the HOR during its confidence vote to the GNS as validation of Dabaiba's narrative.

Arguably, unanimous neutrality has been the policy by default adopted by Western states as they have been submerged by the Ukraine crisis and are anxious about the current environment in Libya, where there is no longer any properly legitimate institution and where elections seem to be the only way out of an increasingly chaotic situation. However, this position is nothing more than a headlong rush as it fails to comprehend that no elections can happen under two rival entities and ignores the fact that the promise of elections continues to be used as a political pawn by Libyan actors to gain international sympathy and cooperation. By contrast, instead of following a hollow policy of neutrality, regional states have had no qualms in voicing their support for either Bashagha or Dabaiba. Of note, their positions are flexible and most likely rational, meaning that Bashagha's growing clout in Libya could bring him more support from such states in the near future. As of late March 2022, the GNS Prime Minister enjoyed the tacit support of Russia, Egypt, Saudi Arabia and Qatar who have all recognised the HOR's political process as legitimate. In turn, the GNU continued to have the support of Turkey and the alignment of the United Arab Emirates (UAE), although this is subject to change as Bashagha is seeking to win Ankara and Abu Dhabi over. Recent efforts by the GNS showed clear signs of Turkey actively reconsidering its stance.

LIBYA FACES A CROSSROAD OF CONSTITUTIONAL TRACKS

A constitutional track, which is nothing less than a crossroad between various plans for transition, is being pursued without much clarity as to which parameters will prevail in settling the constitutional basis for elections.

Since the international community has no other way to avert a security crisis in Libya than engage in intermediation, all attention has been focused on driving forward the constitutional track which is a key piece of the puzzle required to achieve elections in the country. Unfortunately, this focus has been somehow ill-informed as it arguably puts the cart before the horse. In fact, the problem with the constitutional track has always been political, not legal, and it is unlikely that a breakthrough can be achieved in the current situation of elevated political discord and tension. The HOR's First Deputy Speaker Fawzi al-Nwari clearly enunciated this problem this month by saying: "the solution to the crisis is not limited to the constitution [...] it is important to move forward on all tracks, as focusing on the constitutional path and ignoring others means repeating previous mistakes." Moreover, the current situation surrounding the constitutional track has been very confusing considering that there are in fact several constitutional tracks that seem to interweave or dodge one another, thus raising concerns about yet another failed attempt at reaching a constitutional basis for elections in Libya.

As explained in this report's section on Dabaiba's defiant approach toward the GNS, the Tripoli-based Prime Minister has an unclear plan to bring about a constitutional basis and seems to have bandwagoned to the UNSMIL-sponsored constitutional track. The latter was presented in early March 2022 by Stephanie Williams who invited the leadership of both the HoR and HCS to nominate six delegates from each chamber to form a Joint Committee to develop a consensual constitutional basis. Initially, the SGSA had stated the Joint Committee should convene on March 15th to work over two weeks to achieve their goal. However, the HCS was the only body to present its delegates prior to the date set by Williams and the first meeting had to be postponed to a week later, still with no signs of the HOR delegates. This is because Agila Saleh is in fact pursuing his own track and has no intention of letting the SGSA take the driving seat of the political process and constitutional track. Although Williams' initiative to have general elections as soon as possible gained the support of about 50 MPs, a larger group of lawmakers have made it known they see it as "an unjustified parallel path" which diverges from the intra-Libyan agreement previously reached between the HOR and HCS. In the latter body as well, there is a sizable portion of members, that includes HCS First Deputy Safwan al-Meswri, who

continue to support the agreement despite their Chairman's backtracking. This agreement enshrined in the twelfth constitutional amendment proposes a Joint Committee made up of 24 members, with each chamber appointing six of their own members and six legal or constitutional experts. This is exactly what happened this month with the HOR. Interestingly, the HCS actually brought forward 12 delegates, thus raising questions about which of the tracks between UNSMIL's or the HOR's are being pursued – with the biggest difference being that the HOR's roadmap does not necessarily aim at elections as soon as possible but rather gives itself a timespan of 14 months to reach such an objective.

As a result, we are facing hybrid constitutional tracks which will advance depending on political developments, such as Bashagha's diplomatic efforts to gain international recognition or ending terms when it comes to both UNSMIL and the SGSA as the two have to renew their mandates in April 2022. Both developments could give Agila Saleh the upper hand in the process. For instance, any Turkish tilt towards Bashagha could force al-Mishri to once again change his position and support the parliamentary roadmap, thus giving the intra-Libyan initiative enough ammunition to become Libya's key constitutional track. Of note, another track has been mulled and despite its low chances of being realised, deserves to be mentioned as it reminds us of the Presidential Council (PC), the body which acts as the Commander in Chief of the Libyan Army. The body has remained agnostic in the current contest between the GNU and GNS, but it has announced that should the HOR/HCS Joint Committee fail to reach consensus, it could adopt a constitutional basis on its own. Although this view was later refuted by PC Head Mohamed al-Menfi, it reflects hope from some within the international community that the endless politicking of the HOR and HCS and the resulting constitutional crisis could be stopped by an executive order. Importantly, the PC itself is not recognised by any of Libya's constitutional amendments and its term under the Libyan Political Dialogue Forum's (LPDF) roadmap will technically expire in June 2022. This weakness has been highlighted by Agila Saleh who reminded he could simply revoke the body after this date and take over its military prerogatives – a step that would dangerously upend Libya's fragile power dynamics and further drag the country back into polarisation. In fact, despite its many inadequacies, the PC has been a guarantor of the Libyan state's unity and the parliamentary roadmap has so far made no arrangements to replace its members.

FOOD SECURITY AND ECONOMIC WOES AHEAD OF RAMADAN

Geopolitical developments in Europe are impacting food security in Libya and create a situation where any political turmoil could spiral into grave humanitarian consequences.

After weeks of heavy conflict in Ukraine which hampers the eastern European country's sowing season, the UN's Secretary-General warned that this conflict could result in a food crisis impacting countries like Libya. According to the Food and Agriculture Organisation (FAO), the North African country depended in 2021 on Ukraine for close to 40% and on Russia for 20% of its wheat imports. Libya is therefore highly vulnerable to supply shortages and more importantly price increases for agricultural commodities, particularly at this time of year nearing Ramadan. This has presented a crisis management challenge for the GNU which could hope to turn it into an opportunity as the GNS remains yet too unoperational to bring forward policies meant to combat food inflation. Dabaiba held an expanded meeting with key actors such as the Minister of Economy and Trade as well as the Head of Municipal Guard to come up with solutions. So far, these have included setting the price of bread to 0.25 LYD per 100 grams, applying export bans on various products, providing subsidies for goods like wheat, rice, edible oil, tomato paste, sugar, tea and semolina, and encouraging Libyan traders to obtain spot contracts to import key commodities like wheat and corn from alternative sources. This recalibration remains a difficult task: despite asking not to be included as a destination of export bans, countries such as Egypt still stopped exports of oil, pasta, flour, corn, chickpeas or grains to Libya for a period of three months.

Reports on the availability of grain stocks in Libya remain inconclusive. It remains unclear whether this is due to a concern not to cause panic or simply due to dishonesty, but the Minister of Economy has claimed that the Ukraine crisis would not have any negative impact on the grain markets in the country, adding that Libya had strategic reserves of wheat that could last 1 year. This assessment clashes with price increases observed throughout the country and claims by non-governmental observers that stocks of goods are insufficient. To go along its reading of the situation, the government will also rely on price monitoring in local markets by engaging the Ministry of Economy, Municipal Guard and Internal Security Agency (ISA) to identify sellers charging higher prices and going after private sector actors hoarding their own stocks of goods. Under current circumstances, Libya may withstand inflationary pressures stemming from the war in Ukraine, but it would certainly not be able to continue should the contest between the GNU and GNS spiral into an armed conflict that further disrupts supply lines, increases prices and ends in a humanitarian crisis.

BLACK GOLD MAKES A COMEBACK IN POLITICAL CALCULATIONS

Higher political tensions risk spiralling into the economic sphere with greater debates over the distribution of oil revenues in this transitory period and the formulation of a 2022 budget.

Oil has always been an important factor having direct consequences on Libyan politics. The importance of oil, however, has always fluctuated between periods of relative stability when all stakeholders seek to boost general oil revenues and times of tension when political actors tend to weaponise the commodity to suit their interests. Since the failure of the LPDF's roadmap late last year, Libya is once again experiencing the comeback of black gold as a tool to influence the next steps of the country's political process. In March, a group of locals in the Oil Crescent region who are known to be loyal to the LNA threatened they would start shutting down oil ports and blockading exports of oil should the GNU not relinquish power. There are indeed concerns that over the next months the LNA could start turning a blind eye to any attempt to disrupt the energy sector or even orchestrate such actions with plausible deniability should Bashagha fail to enter Tripoli. Applying pressure on the GNU through the oil sector would also be a way for the LNA to galvanise public support from local constituencies in east and south Libya, where narratives about the Tripoli-based government monopolising riches remain potent. It would also put Haftar in a position to act as an inevitable mediator and interlocutor for domestic and international actors. This risk of blockade is a real possibility considering current global oil markets which are highly sensitive to supply changes as a result of the potential European boycott of Russian oil and gas.

The growing risks hanging over the energy sector have prompted the international community to call for the shielding of economic institutions like the National Oil Corporation (NOC), CBL or Libyan Investment Authority (LIA) from political interference. This unfortunately remains a pipe dream considering the fact that the heads of such institutions have turned into apt political entrepreneurs and that such institutions are regarded by many stakeholders as the final prize of political competition. A recent episode between the NOC and Ministry of Oil demonstrates the intricacies between politics and the energy sector: in early March, the NOC announced the temporary halt of oil exports from the major ports of Ras Lanuf, Brega, Zueitina, al-Sidra, Zawiya and Mellitah due to "bad weather conditions." However, the Ministry of Oil immediately responded that the National Meteorological Centre's bulletin did not show any warning signs of weather change and surmised that the NOC's Chairman Mustafa Sanallah was seeking to apply pressure on the GNU to leave office. Later in the month, the Libyan Audit Bureau called on the NOC to urgently transfer oil revenues into the

CBL account of the Libyan Foreign Bank (LFB) and stop withholding such proceeds which is impacting payment of salaries, including for oil workers. This comes after Agila Saleh instructed the NOC to keep oil revenues in its own LFB account and not refer them to the public revenue account until a budget law for 2022 is adopted. This shows that the showdown between the GNU and GNS/HOR is already spiralling into the economic realm as each side is seeking to maximise their control over financial resources. Whilst the HOR pressures the NOC not to share its oil wealth with the GNU, Dabaiba has instructed its Ministries of Finance, Planning and Oil to support the NOC to enable swift oil output increases to maximise profits under current high prices – something that has been asked by Sanallah for a long time without much result.

International powers are aware that political strife over financial resources can have dire consequences for Libyan state coffers and the livelihoods of people. In 2020, an oil blockade led by the LNA had cost €8.8bn to the state and created many impediments for economic development in the country. This is why the U.S. alongside partners such as Egypt, the UN and EU have proposed a mechanism to manage oil revenues until the broader political issue of competition between the GNU and GNS is solved. Such a mechanism would see the temporary freezing of oil revenues in the LFB, with funds only being transferred to the GNU for Chapters 1 and 4 of the budget, consisting of salaries and subsidies. Such plans would therefore halt Dabaiba's use of state funds in his attempt to hold onto power and appease eastern Libyan forces so that they do not resort to another politically-motivated oil blockade in the near future. However, this proposition has fallen on deaf ears in Tripoli, as the GNU Prime Minister feels that agreeing to this would inevitably accelerate his departure from office. In turn, the HOR and GNS are already coordinating with one another to pass the 2022 budget law – one which could ironically be as costly as the GNU's 2021 draft budget considering the many items Saleh wants to include in a bid to raise the GNS' popularity.

On another note, despite heightened tensions in the country, international oil companies continue to engage with Libya. This month, U.S.-based Halliburton announced it was looking into making a comeback in the country, and several U.K. companies expressed their interest in Libya's energy sector through the British Embassy to Libya. Delegations from TotalEnergies and Eni have also held meetings with Sanallah to boost their energy production in Libya. This continuing interest at a difficult moment can partly be explained by the need of oil companies, particularly those serving the European market, to find alternative sources of oil and gas after announcements from Brussels that the EU is now striving to be independent from any Russian energy import by 2027. Gas-giant Qatar has also expressed interest in managing petroleum facilities in the country and Minister of Oil Mohamed Aoun said Libya could become an important exporter of gas to Europe over the next five to seven years.

LIBYAN CIVIL SOCIETY SUFFERS FROM SECURITISATION AND MORALISATION OF PUBLIC LIFE

Disregarding the rule of law, security agencies throughout Libya have reinforced their crackdown on political activists and dissenting voices.

In late March, the Independent Fact-Finding Mission on Libya established by the UN's Human Rights Council (UNHCR) in 2020 published its second report highlighting "continuing serious human rights violations and a culture of impunity prevailing in different parts of Libya [that] are impending the transition to peace, democracy and the rule of law." This grim assessment was shared by the National Committee for Human Rights in Libya (NCHRL) and Amnesty International which raised an important point, i.e. the persecution of young Libyans by militiamen and security agents under the guise of protecting "Libyan and Islamic values." Of course, such ill-treatment is not new in Libya as the country has experienced the growing influence of Islamist-leaning militias, particularly the Madkhalites, throughout its territory over the last decade and their pursuit to apply strict morality on the streets and on social media. Yet, this moralisation of public life is creeping into the country's bureaucracy with the example of Siddiq al-Sour, Libya's Public Prosecutor, announcing that members of a Tripoli-based civil society organisation were charged with "spreading atheism" after their confessions were taken by the ISA and posted on social media. Arguably, these accusations centred around morality are increasingly used because they are particularly useful to political actors and their allies in the security field. Whilst Libyan activists may have been more polarised in the past, and therefore easily castigated as belonging to the enemy ranks, today's civil society actors are ever more unitary and transcend traditional political divisions. They therefore represent a far more potent force to bring political forces to accountability, and as a result are victim to the outrage their openness and activism cause among powerholders.

Throughout several human rights groups' reports, the ISA's name was repeated as being at the helm of a systematic campaign to silence activists and crack down on civil society. UNHCR has warned that such practices are having a "chilling effect on human rights defenders, humanitarian workers and other civil society actors in Libya." Another example of such actions is the recent arrest by the ISA of a 218TV correspondent in Sirte, Ali al-Rifawi, who was subject to detention and interrogation for reporting on an anodyne subject which was deemed as inflammatory for Libya's public opinion by the security group. The Fact-Finding Mission's report also made note of the effect of recent restrictive regulations such as the Anti-Cybercrime Law of October 2021, which has been widely used by security agents to silence journalists and influential authors. These incidents happen despite what the Mission

presented as “sincere cooperation” from Libyan authorities, including those based in the east. However, this cooperation remains sincere insofar as political niceties are considered, and quickly forgotten as decision-makers within the GNU and LNA choose to close their eyes on their fellow allies who work in the security field. For instance, one of Dabaiba’s key weaknesses has been his inattention or unwillingness to reform the security sector in western Libya, despite being a keen interlocutor of countries having a strong human rights agenda. This failure was exemplified this month by the assassination of 27 year-old Mustafa al-Sharir by the GNU-aligned Misrata Joint Forces, who allegedly killed him for criticising the Prime Minister on social media. Of note, Inside Libya’s nineteenth issue also looked at the tightening space for criticism in the country and the securitisation of public life.

WHY THE NEXT POLITICAL STEPS COULD HAVE BIG MILITARY CONSEQUENCES

Geopolitical realignments and the Libyan National Army’s (LNA) support to the GNS could provide the necessary framework to expel foreign mercenaries. However, Libyan armed forces remain divided and self-interested.

A month after the formation of Bashagha’s GNS, Libya is still in one piece despite growing violations to the 2020 October Ceasefire. International stakeholders have sought to mediate with key Libyan power holders to ensure that appetite for war remains at a low point. However, optimistic statements over the unlikelihood of conflict and openness to discussions are not entirely accurate since the rhetoric for a dangerous showdown already exists and the international community’s diverted attention toward Ukraine creates greater avenues for war mobilisation in Libya. The key reason why this has not happened yet is the belief among pro-GNS backers that Bashagha has the transition somehow figured out thanks to his security networks. They also know that escalation is not in their interest since any conflict would prolong this transitional period, antagonise important foreign actors like Turkey and give greater ammunition for Dabaiba to remain in power. Despite a lack of progress, this approach remains sensible considering Tripoli’s militia layout: armed groups may still show allegiance to the GNU but they are in majority self-serving entities that would not stop short of switching sides at the opportune moment. For instance, Ghnewa’s Stability Support Apparatus (SSA) has pledged support to Dabaiba, after receiving nearly 140 million LYD (€30m) from his government, but was a nuisance to the GNU Prime Minister’s Office throughout 2021 and has already made clear it was not against Bashagha per se but more specifically unhappy with the positions the LNA was given in the GNS. Overall, many armed groups present in the capital have strong links with either Bashagha or people now affiliated with the GNS, such as Interior Minister Abu Zreiba whose family has good links to Ghnewa. Former Tripoli

Revolutionary Brigades (TRB) head Haitham al-Tajouri, who now heads the 777 Brigade, is also believed to entertain rapprochement with Bashagha and has a history of bad relations with Dabaiba's office.

If Tripolitanian militias' concerns about the GNS' relation with the LNA can be assuaged by Bashagha, there is a good possibility that the entry of the new government into Tripoli will be followed by gradual yet significant military and security developments. GNS Defence Minister Ahmed Houma has announced his intention to integrate "revolutionaries", meaning the countless militias that exist throughout Tripolitania, into special programs in a step to unify the divided Libyan armed forces. The LNA's General Command voiced its support for such an integration plan, so long as no militiamen affiliated to terror groups are included, and expected such an initiative to take about two years. The LNA also shared the view that the GNS would seriously support the removal of foreign mercenaries compared to the GNU. This is contingent on Bashagha's ability to gain the support of Ankara, which would then kickstart a nationwide process whereby a new foreign alignment between the likes of Egypt, France and Turkey would allow the removal of foreign mercenaries and reduce Moscow's influence on the ground – something that the LNA would welcome considering the many instances in which Russian private military contractors (PMCs) flaunted the command structure of the LNA.

There are however several obstacles to a scenario in which the GNS becomes Libya's first security-oriented and unitary government able to solve the problematic issue of militias and remove foreign mercenaries from the country. First, it remains to be seen whether Russia will continue to compartmentalise other international issues such as Libya from its dangerous entanglement in Ukraine. Moscow maintains an effective presence in the North African country, made of networks with local notables, tribal leaders and criminal networks. Should the situation escalate between Russia and Western countries, the former could easily use such resources to inflict pain on the ground in Libya, by for instance commanding attacks or blockades on oil fields, refusing to cooperate on the removal of its foreign mercenaries, or simply fanning the flames of conflict in the country. Second, convincing Tripolitanian militias of the LNA's necessary role in the country's politics remains a tall order for Bashagha, who has not yet managed to gain clear backing from his hometown of Misrata. Third, the LNA itself might not replicate Bashagha's calculations and may start taking things at its own pace the longer the GNS remains outside of Tripoli, meaning it could raise the ante by sponsoring disruptions to the oil sector and start a military build-up around western Libya to pressure Dabaiba. Overall, the GNS' standing between eastern and western Libya remains precarious and it will be a difficult task for Bashagha to balance the interests and positions of its current backers with those of western Libyan actors he needs to draw into his coalition to govern Libya.

CONCLUSION & FORECASTS

Fortunately, Libya has so far averted an armed escalation despite deepening antagonism between the GNU and GNS. Direct confrontation still retains some stigma after the protracted 2019-2020 war and foreign intermediation has made self-restraint paramount. However, there is a sense that such self-restraint and preference for negotiated solutions could die down over the next weeks. Following a visit to Cairo by Khalifa Haftar and Agila Saleh, 76 MPs announced they rejected the continuation of UNSMIL's constitutional track as long as the GNS was not installed in Tripoli. Equally, Haftar and Saleh criticised Dabaiba's "obstinacy" in staying in power and could step up disruptive actions to accelerate the GNU's fall. This remains a tense moment in Libyan political history, as the country faces three main scenarios.

1. The most likely scenario considering strides made by Fathi Bashagha on the ground and the diplomatic front is one where the GNS gains enough international support, particularly from Turkey, to peacefully drive the GNU away from the capital.
2. However, the latter scenario is not a given since Abdulhamid Dabaiba has so far shown strong opposition to stepping down. This could result in a second scenario which entails a prolongation of the current situation, with Libya being once again governed by two governments using financial and coercive means to maximise their power.
3. The last and most unfortunate scenario would be polarisation and antagonistic behaviour escalating in conflict, which would effectively destroy the GNS' objective of being a supra-factional government and remove all progress made since the October 2020 Ceasefire.

These scenarios are vastly different from one another and reflect the current disorientation that members of the international community are grappling with as they are unsure as to what the future holds and how to steer Libya toward a peaceful transition. Criticism against its lack of legitimacy by some within the international community aside, the GNS still exists and has effectively become a force to be reckoned with in eastern and southern Libya. This means that the building block for general elections, i.e. a unitary government controlling Libya's entirety, is no longer a reality for the country. The GNU is likely to see its governance wither over the next months and will be unable to organise any genuine election by June, the month after which its claims to legitimacy will be over since the LPDF-appointed executive authority has a maximum mandate of 18-months. The current focus on driving forward the constitutional track seems to miss this point and works on the assumption that the current political quagmire will solve itself on its own. It would instead be vital for solving this political crisis to revive a "Berlin-style" process in which all international actors, including Western states

which have not taken a side and regional countries which either support the GNU or GNS, to find common ground and avoid Libya from falling further down the path of polarisation, uncertainty and conflict.

In fact, more diplomatic efforts are needed to extract, from both Dabaiba and Bashagha, guarantees that the two will eschew conflict and more importantly reach a compromise to bring Libya back in a position where general elections can be held nationwide under one interim government that is able to exercise some form of authority across the country. If this is not done, we might see spoilers from both the GNU and HOR surf the political crisis and use the mirage of upcoming elections as a means to stay in office past June 2022. Failing to prevent confrontation could also drive both Khalifa Haftar and Abdulhamid Dabaiba toward more escalatory measures, the first one out of opportunism and the latter out of desperation. Considering current international economic difficulties, Libya is set to greatly suffer from any fall into conflict or simply the prolongation of institutional divisions which would make impossible the implementation of urgent economic measures to safeguard the population from a potential food crisis.

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