DOCUMENTI
IAI

INCLUDING LIBYA?
EU, Arab World and the US

by Roberto Aliboni

Paper presented at the conference on "Lybia: Current Relations and Future Prospects"
United States Department of State, Washington D.C., 25 February 2000

IAI0001   **ISTITUTO AFFARI INTERNAZIONALI**

INCLUDING LIBYA?
EU, Arab World and the US

by Roberto Aliboni

Inclusive strategies towards South Mediterranean countries

The Libyan leadership's decision to hand over the two citizens suspected of carrying out the terrorist attack against a Pan Am civilian aircraft over Lockerbie on December 12, 1988 undoubtedly marks a change in Tripoli's foreign policy. It remains to be seen how durable this change will be and whether international policies may consolidate it or make it less reversible than Tripoli's record would suggest. While one can only speculate on how long Libya's new foreign policy direction will last, the second question - whether this direction can be consolidated - is the basic matter addressed in this paper.

Libya is a special and, to some extent, extreme case in a range of post-Cold War developments and changes which concern a good number of Arab countries. The Libyan case must be put in this more general perspective.

After President Sadat's political and economic openings in the seventies and the rise of political Islam and the collapse of the communist camp in the eighties, in the nineties, the Arab nationalist regimes had to face a new situation in which their nationalist legitimacy was remarkably eroded, while demands for political and economic reform could no longer be overlooked if they wanted to re-establish their legitimacy. To restore legitimacy and remain in power, most Arab regimes have pursued strategies combining major openings in their foreign and international security policies - the intervention against Iraq in the 1990-91 Gulf War; the Middle East Peace Process; and the Euro-Mediterranean Partnership - with attempts at domestic political and economic reform. In fact, at the end of the eighties a set of Arab countries began to democratize domestic political institutions and liberalize economies. The rise of Islamic parties and movements, however, prevented a large majority of Arab regimes from pursuing their initiated political reform and made many of them more cautious and slow about economic reform. The result, today, is an emphasis on international cooperation, whereas domestic reform is generally being put off to a more distant future.

With respect to this general trend, Libya kept itself decidedly aside, sticking strictly to a conservative and inward-looking course. Still, perhaps thanks to the UN sanctions and at the cost of protracted international isolation, in 1998-99 (i.e. very late in relation to the rest of the Arab world) it came to the decision to adopt a strategy of the same kind just referred to; but it has done so by putting all its eggs in the basket of more open international relations and none in that of domestic reform. This may betray the regime's especially acute insecurity with respect to its chances of domestic stability. It must be noted, however, that the Libyan combination is but an extreme case with respect to a range in which, as a rule, Arab regimes' stability tends to be secured by combinations of external opening and domestic reform.

With respect to these developments, Western response has proved positive and characterized by the use of inclusive strategies. Inclusive strategies are presently being

carried out by Western countries, in bilateral as well as multilateral terms, towards a majority of Middle Eastern and North African countries. As an exception to this trend, policies of containment are being pursued towards a set of countries which comprises Libya, along with Iran and Iraq. Though containment policies towards these countries have been adopted and enforced by all the allies, there have been remarkable US-EU differences on this point throughout the nineties. Recent changes in Libya's foreign policy raise the question whether to go on with inclusive policies towards this country as well.

Since 1998-99 there has been a pronounced trend towards normalization with Libya, particularly on the European side. Whether inclusive policies are to follow normalization, to what extent and at which level (European, Atlantic) are still open questions, though one cannot help noticing that the European attitude is by far more positive than that of the US.

To be sure, there are risks in adopting an inclusive strategy both in general as well as in regard to Libya in particular. From a general point of view, there is the risk of providing the countries concerned with the benefits of international cooperation without succeeding in introducing change, neither in the long nor in the short term. In the worst case, inclusive policies may help consolidate undemocratic or authoritarian regimes, thus preventing political reform. This risk must not be overlooked. For example, the balance-sheet of EU inclusive policies initiated in the nineties is that domestic reforms seem farther away now than they were at the beginning of the current cycle of North-South cooperation in the area.

In the case of Libya, no prospect of internal reform has even been alluded to. As already noted, all there is is an ample opening towards the external world. From a Western point of view, this makes the expected outcome of inclusive policies more uncertain, even in the long run. At the same time, such uncertainty is not a good reason or reason enough to rule out inclusive policies.

In fact, inclusive strategies may have the more limited task of stimulating and reinforcing international cooperation without prejudice in the short/middle term to what is reformed or not in the countries concerned. To be sure, a solid policy of international cooperation should be predicated on a solid course of democratization. This is the double target that is being pursued in current relations between the Atlantic and Western European countries and the Eastern European ones in the framework of NATO and EU enlargements. Realistically, however, the same objective has to be delayed, though not abandoned, in most current trans-Mediterranean relations.

Inclusive strategies are not better than containment policies (nor the other way round). What matters is that they must fit with temporal and contextual circumstances. Furthermore, both strategies need to be conducted with appropriate instruments and policies.

In fact, mechanisms have to be put in place to make their success more likely over time, even distant time. The weakness of inclusive strategies in regard to Southern Mediterranean areas must be corrected by the use of appropriate benchmarks. This is not an easy task. The EU policy towards the Mediterranean countries, for instance, envisages benchmarks, but they have proved too rigid really to be of use. Political conditionality has proved hardly applicable without causing major disruptions in EU-Southern Mediterranean relations (e.g. with the Algerian and Palestinian regimes). Developing a set of flexible and effective benchmarks within an inclusive policy

framework remains an important goal to achieve in the near future, especially in relation to Libya, but also as a general challenge to the effectiveness of inclusive strategies.

On the assumption that Western and European countries will adopt inclusive strategies towards trans-Mediterranean countries, with the limited ambition of increasing international cooperation, and without necessarily expecting domestic reform in the short/middle term, the next sections take into consideration and discuss the adoption of inclusive strategies with respect to Libya by different actors.

Arabs and Libya

At the end of the eighties and in the nineties, Libya has been targeted by a number of inclusive strategies conducted by Arab and European countries, as well as by both.

At the end of the eighties, President Ben Jedid of Algeria took the initiative to revive the Maghrebi agenda for regional cooperation under the name of the Arab Maghreb Union (AMU), (after Boumedienne's Algeria had frozen it completely at the beginning of the seventies). In Ben Jedid's view, the main task of AMU was in the field of security: it was to put an end to Algerian-Moroccan differences and the conflict in the Western Sahara, as well as to include Libya to prevent it from fomenting uncontrolled subversion and instability with respect to Tunisia and the inland Sahelian areas, from Chad to Niger and the Western Sahara.

The AMU agenda was reinforced by an understanding among the countries surrounding the Western Mediterranean - the so-called Group of "Five plus Five" - which encompassed Morocco, Algeria, Tunisia, Mauritania and Libya, on the southern side, and France, Italy, Malta, Portugal and Spain, on the northern side. Beside economic development, the Western Mediterranean agenda of cooperation was intended to stabilize the area and help solve – as well as prevent – conflict. The task of including Libya with the purpose of containing and educating the regime was prominent among the other political and security tasks contemplated by the "Five plus Five" understanding.

Subsequent events, namely the impact of the 1990-91 Gulf War on the Maghreb, the rise of political Islam in the same area, the crisis in Algeria and the UN sanctions on Libya, put both AMU and the "Five plus Five" grouping on hold.

After this attempt to include Libya, over the long period of time in which UN sanctions were enforced, Egypt and the Arab League felt concerned by Tripoli's international isolation and took some steps to have the country included again in the international community. These attempts, however, were very different in character and purpose from the Maghrebi and Western Mediterranean policies just noted. They did not have the same specific inclusive purpose alluded to in the above.

They were not aimed at channeling Libya by giving it a role and a discipline in a committing and visible political frame. They were moved by more specific, though legitimate, political concerns: (a) Egypt's fears for the outcome of Libyan instability in terms of return of emigrated Egyptians, displacement of masses of people (e.g. Palestinians living in Libya), loss of economic cooperation and, last but not least, loss of control over Libyan political Islam and its contacts in Egypt and other adjoining countries, particularly Sudan; (b) the Arab world's concern about Libya's isolation for the same reasons that it is concerned about Iraq, that is because these developments have

a negative impact on nationalist and Islamicist public opinion and tend to discredit and destabilize incumbent regimes.

Egypt and the other Arab countries were unable to translate these legitimate concerns - destabilizing effects from the rising Libyan political Islam and Libya's infamous international isolation - into inclusive Arab strategies. These concerns of instability have been well understood by the Europeans, also because they have had an impact on Europe as well, as a result of trans-Mediterranean movements of people. European perceptions of being affected by Arab instability link up with Arab perceptions of the adverse impact of Libya's potential instability on their stability. The inclusive response that the Arabs are unable to give Libya has been taken into consideration in the Euro-Mediterranean process, established in Barcelona in 1995, thus making it a shared Euro-Mediterranean concern. The EU members strongly agree on this move. This is the basic reason why Libya was invited to consider membership in the EMP. Let's look, then, at inclusive European agendas towards Libya.

Europeans and Libya: the Euro-Med context

Besides considerable economic and financial interests, France, the United Kingdom and Italy happen to be politically involved with Libya: the killing of a policewoman, Yvonne Fletcher, in 1986 and the Lockerbie bombing, in the case of the UK; the 1989 bombing of a UTA aircraft, in the case of France; the colonial heritage, in the case of Italy. Other European countries, particularly Germany, have economic interests in Libya as well as more or less good chances of doing business with it, but no national political stakes. Furthermore, the EU decision to start a common policy towards the Mediterranean with the 1995 Barcelona Declaration has made all EU members share political concerns towards this area and related issues, such as Libya. The Mediterranean has always been part of the communitarian *acquis*. The commitment became more pregnant and engaging, though, with the establishment of the complex Euro-Med Partnership (EMP) machinery. Since the EMP is part of the communitarian *acquis*, even the northern EU countries feel committed to pursuing a Mediterranean policy (just as the southern EU members feel committed to contributing to eastward and Baltic policies). All the more , the higher their political role in the EU, as is the case with Germany. Let's consider these different branches of European relations with Libya.

Different considerations and concerns led France, the UK and Italy to search more actively than other Atlantic allies for restoration of their bilateral relations with Libya (a task they managed to accomplish between 1998 and 1999). France needed to assert and confirm both its traditional role with respect to the Arab world (*la politique arabe*) and the Mediterranean area, as well as its role within the UN Security Council with respect to US activism. Italy - further to very special and absorbing energy and economic relations with Libya – had consistently and insistently been seeking to strengthen its international role and initiative throughout the nineties so as to increase its chances of exercising greater responsibility in the international community (from the successful inclusion in the Contact Group to the aspiration of being more firmly associated to the UN Security Council). In addition, a more autonomous foreign policy profile is an essential ingredient of the complex competition going on within the government coalition.

In principle, the UK had less pressing national political stakes in resuming relations with Libya (although strong and openly acknowledged economic interests). My interpretation is that the UK government came to address the Libyan issue starting from its main and central concern of constructively reconciling trans-Atlantic partners. (In this sense, the UK diplomacy on Libya would fall into the same category as the British 1998 St. Malo initiative towards establishing a EU common defense and security policy, which facilitated NATO's understanding of this matter in the 1999 Washington Atlantic Council meeting.) How could trans-Atlantic partners reconcile their major differences on Libya, Iraq and Iran? In my view, the UK diplomacy response has been a revamping of common concerns and policies towards terrorism. During the British EU presidency in the first semester of 1998, terrorism became a priority in the EMP, and an effort was made to begin accommodating Southern Mediterranean domestic concerns in relation to terrorism alongside European international concerns. In the same period, the important 17th May 1998 agreement between the US and the EU was reached in London, whereby the US agreed to dismiss the application of secondary sanctions legislation (D'Amato and Helms-Burton) and the EU committed itself *inter alia* to reinforce its policies against terrorism and WMD proliferation.

UK policy towards Libya is one dimension of a wider policy aimed at reshaping Western security understandings and arrangements. It is less nationally-oriented than French and Italian policies, though it contemplates the development of robust British economic and political concerns. It provides a key to developing European relations with Libya, but as part of new developments in the trans-Atlantic arena.

Though inspired by different factors, UK, French and Italian bilateral policies are consistent with the feelings shared by the generality of EU members that protracted isolation and containment policies towards Libya (as well as Iran and, to some extent, Iraq) are of no help and must be replaced by inclusive collective policies like the one provided by the EMP. What does the EMP provide?

The EMP started in 1995 with a complex "broad security" package which, in addition to political, economic, social and cultural forms of cooperation, also included an ambitious CSCE-like agenda of military cooperation: from the establishment of CBMs and CSBMs to WMD-free zones. In subsequent years, laborious talks among government representatives (in a Committee of Senior Officials) brought about a *de facto* renegotiation of the package (that is to be reflected in the "Euro-Med Charter for Peace and Stability" likely to be approved in Paris at the end of 2000). In this renegotiated package, military security is postponed to an "appropriate time", but political cooperation is enhanced under the principles of security indivisibility, security globality and non-interference. Without going into details, what is worth noting here is the principle of globality. It means that the EMP must also recognize, in addition to the early EU concerns for domestic instability triggered by spillover effects from the South (e.g. migration and terrorism) that led to the European Barcelona Declaration initiative, Southern Mediterranean concerns for domestic instability deriving from cultural intrusion from the North (highly paced political and economic reform) and domestic or South-South terrorism.

EMP renegotiation has lowered the common denominator of the Barcelona process. It has also made implementation of the inclusive EU strategy towards the Mediterranean more difficult and distant than was envisaged at the beginning. At the same time, the strong agreement among the partners on developing an enhanced and semi-

institutionalized political cooperation and the more realistic character assumed by the process may make its success more distant over time but also more likely.

To sum up, with all its limits and difficulties, the EMP framework may still provide an inclusive strategy towards Libya with chances of success. EU member states' efforts to narrow differences with Libya and put an end to its isolation through its inclusion in the EMP respond to the present Arab inability to offer Libya a similar opportunity for inclusion – in the Maghreb, as well as in the Mashreq or a pan-Arab framework. The European countries' offer to Libya of membership in the EMP is also a response to Arab concerns that the Libyan regime is subverted by political Islam, thus enlarging existing political instability in North Africa and the Middle East. Accommodation of Arab concerns, including terrorism, in the EMP can provide a framework of shared interests and concerns in which incipient changes in Libyan foreign policy could consolidate.

Where do we go from here?

Is Libya's inclusion in the EMP on a path of trans-Atlantic collision? In my opinion the response is negative. My guess is that the guidelines set out by the May 1998 London agreement provide a working common policy framework. Furthermore, it seems that the allies share the feeling that Libya, a less difficult case than Iran or Iraq, can be used to find a way out of otherwise stalling containment policies towards the so-called rogue states. By accepting the judgment in the Netherlands, the US must has been aware that UN sanctions cannot be put back in place that easily. In this sense, trying an inclusive strategy by framing Libya in the EMP seems to be a shared trans-Atlantic option, and one that has an effective division of labor.

If the London agreement is to work in the trans-Atlantic sphere, the EU must be prepared to a ensure a congruous management of the EMP and Libya's affiliation to it. While the renegotiation of the EMP mentioned previously makes it unsuitable as a direct tool with which to fight WMD proliferation, EMP may be the instrument with which to enforce social and economic measures that can facilitate anti-proliferation policies as well as anti-terrorism measures and cooperation. Here a creative effort by the EU within the EMP is in order and is much expected.

Furthermore, like any inclusive strategy, EMP needs benchmarks. The most important such benchmark, particularly in relation to Libya, is that Tripoli has to accept the EMP *acquis* to become a member. Recent developments have shown that Libya may have problems in this respect. In fact, an invitation to Gheddafi by the EU Commission's President, Romano Prodi, to visit the EU in Brussels was made contingent by EU governments on explicit and prior recognition of the *acquis*, with the result that the written response transmitted from Tripoli made an ambiguous allusion to Israeli and Palestinian membership in the EMP before they have settled their disputes. Membership is clearly part of the EMP *acquis*. Thus, this first benchmark has failed, but this is but one incident in talks that will certainly not be easy. The incident is largely due to diplomatic mistakes on the EU side, where the Commission has paid little attention to the more complex character of the post-Amsterdam institutional balance.

No doubt, EU diplomacy in dealing with Libya. has to improve In any case, the real problems will be to work out and implement benchmarks after Libya becomes a member, a problem which concerns the general management of the EMP.

No neat conclusion is possible. Initial evidence provided by the EMP's *acquis* benchmark is ambiguous and unsatisfactory. Furthermore, nobody can foresee the outcome of the judgment that will be handed down in Camp Zeist (Netherlands). Still, there is evidence that approaches to the Libya issue may be on the right track, both from the international and trans-Atlantic perspectives. In fact, it seems that there is an understanding in Atlantic circles that the EU try an inclusive strategy with respect to Libya through inclusion in the EMP. This test is subject to the guidelines set out by the May 1998 London agreement, particularly as regards cooperation against terrorism. It is also supported by a broad European appreciation of the understanding signed by Libya with the UN, Italy, France and the UK, in which past responsibilities are recognized, compensation promised (in the case of France, already made available) and terrorism repudiated. Has Gheddafi been illuminated on the road to Damascus or is the regime rationally responding to domestic hardships by an ample and tactical external opening? My opinion is that the second response is the right one. At the same time, while we are certain that containment has eroded, an inclusive strategy to consolidate Libya's opening looks promising, on the condition that the allies, and the EU in particular, are aware that its achievement will require all the cohesion, patience and skills of the US and the European Union.